

1 **VIRGINIA TOBACCO INDEMNIFICATION**
2 **AND COMMUNITY REVITALIZATION COMMISSION**

3 701 East Franklin Street, Suite 501
4 Richmond, Virginia 23219
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9 **Education Committee Meeting**

10 Thursday, October 16, 2008
11 2:00 p.m.
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13 Hotel Roanoke
14 Roanoke, Virginia
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1 **APPEARANCES:**

2 The Honorable Frank M. Ruff, Chairman

3 The Honorable Phillip P. Puckett, Vice Chairman

4 Mr. Stephen S. Banner

5 The Honorable Barnie K. Day

6 Ms. Linda P. DiYorio

7 Mr. Fred M. Fields

8 The Honorable Daniel W. Marshall, III

9 Mr. Buddy Mayhew

10 The Honorable Harrison A. Moody

11 Mr. Kenneth Reynolds

12 Mr. Bryant L. Stith

13 The Honorable Thomas C. Wright, Jr.

14

15 COMMISSION STAFF:

16 Mr. Neal Noyes, Executive Director

17 Mr. Ned Stephenson, Deputy Executive Director

18 Mr. Timothy Pfohl, Grants Program Administration Manager

19 Ms. Britt Nelson - Manager of Program Assessments

20 Ms. Sara Williams - Grants Coordinator, Southwest Virginia

21 Ms. Sarah Capps - Grants Coordinator Southside Virginia

22

23 OFFICE OF THE ATTORNEY GENERAL:

24 Mr. Francis N. Ferguson, Deputy Attorney General - Counsel for the

25 Commission

1 SENATOR RUFF: Good afternoon, everyone.
2 I'm glad you all could make it and appreciate your attending today. As I
3 look around today, we have to realize there is only so much money, and
4 that's limited, of course. A lot of people might be unhappy.

5 MR. DAY: I move we adjourn.

6 (Laughter)

7 DELEGATE MARSHALL: I'll second that and
8 ask to call the question.

9 SENATOR RUFF: All right. Let's get started.
10 Neal, would you call the roll?

11 MR. NOYES: Mr. Banner?

12 MR. BANNER: Here.

13 MR. NOYES: Mr. Day?

14 MR. DAY: Here.

15 MR. NOYES: Ms. DiYorio?

16 MS. DIYORIO: Here.

17 MR. NOYES: Delegate Johnson?

18 DELEGATE JOHNSON: (No response.)

19 MR. NOYES: Mr. Fields?

20 MR. FIELDS: Here.

21 MR. NOYES: Delegate Marshall?

22 DELEGATE MARSHALL: Here.

23 MR. NOYES: Mr. Mayhew?

24 MR. MAYHEW: Here.

25 MR. NOYES: Mr. Moody?

1 MR. MOODY: Here.

2 MR. NOYES: Mr. Reynolds?

3 MR. REYNOLDS: Here.

4 MR. NOYES: Mr. Stith?

5 MR. STITH: Here.

6 MR. NOYES: Delegate Wright?

7 DELEGATE WRIGHT: Here.

8 MR. NOYES: Senator Puckett?

9 SENATOR PUCKETT: Here.

10 MR. NOYES: Senator Ruff?

11 SENATOR RUFF: Here.

12 MR. NOYES: We have a quorum, Mr. Chairman.

13 SENATOR RUFF: Do I have a motion to approve
14 the Minutes from the October 11, 2007 meeting?

15 MR. FIELDS: So move.

16 SENATOR RUFF: It's been moved and seconded.

17 All in favor? (Ayes.) Opposed? (No response.)

18 All right, let's see. ODU has asked to go first, Ms. Sandy from
19 ODU. She wants to speak for a few minutes, and then she has to leave.

20 After that, I wanted to say, we won't take any action until later in the
21 meeting. I would ask everyone coming to the microphone to speak, please
22 state your name so we can get it for the record.

23 MS. SANDY: My name is Mary Sandy. I'm
24 speaking on behalf of Old Dominion University for our Virginia Aerosphere
25 Science and Technology Scholars Program.

1 MR. PFOHL: This is number 1692.

2 MS. SANDY: I'm the Director of the Virginia
3 Space Grant Consortium. This is a program we're doing in partnership with
4 NASA, which is really to engage high school juniors, encouraging them in
5 space careers and learning and building workforce opportunities. We're
6 recruiting students in their junior year to take a distance learning course that
7 has been made available and developed by NASA. Then, subsequently have
8 an opportunity as part of their course work to compete for the summer
9 academy at NASA in Langley, which is a wonderful experience for them.
10 They'll be working with engineers, scientists, mathematicians, technologists
11 in undertaking problem-based learning. In both the distance learning and the
12 summer academy the students will be earning two college credits for each of
13 the components, a total of four credits. They will receive credit for
14 introduction to aerospace and for the summer academy opportunity, and
15 we're talking with the Southside Community College, and the course will be
16 called Introduction to Engineering.

17 What we've asked for in our budget is funding to support
18 having 80 students participate in the distance learning course, four master
19 educators for part of the program, and at least eight of the students to
20 participate in the summer academy, and we anticipate there will be many,
21 many more.

22 In arriving and looking at the Staff recommendation I think
23 there is an error here. There is a discussion about indirect costs, and I can
24 assure you those can be waived if that is an issue.

25 It also talks about funding for staff support, and there is about

1 \$8,000 in the budget for that. Most of the money is going to pay for
2 teachers' stipends and for student costs. We think this would be a wonderful
3 way for us to really reach out for Southside and the Southwestern regions
4 that are Tobacco Commission areas and then build network and
5 infrastructure in those areas that will allow us not only to have better and
6 stronger working relationships with the school systems and companies
7 involved, we can help the students also get into NASA and space grant
8 programs for scholarships and paid internships and other kinds of
9 enhancement opportunities. It's been a bit difficult to get the Southwestern
10 students to come and participate in these kinds of programs.

11 We did a pilot last year that we were very successful at, and we
12 are now in a full year of the program, and we've gotten some not only NASA
13 support but industry support for continuing the program. So we're hoping
14 that the Commission will favor and consider our request.

15 SENATOR RUFF: Thank you. At the proper time
16 we'll take this up.

17 MS. SANDY: Thank you.

18 SENATOR RUFF: Thank you.

19 Next we'll hear from Paul Nichols, who is going to give us an
20 update on the Advanced Studies Program.

21 MR. NICHOLS: Good afternoon. Chairman Ruff
22 and members of the Board, I'm Paul Nichols with Virginia Advanced
23 Studies Strategies. I'm here to report on the first year of the program, and as
24 we have had success with it, we thank you very much for your generosity
25 last year.

1 I believe you have in your packets information that we provided
2 for the Staff that has at least two newsletters plus maps of the information
3 that has come from the College Boards as well as from us about the program
4 that is looking to create the math, science, and English programs in schools
5 throughout the state that have not had the opportunities to put them in place
6 as they have in Northern Virginia.

7 I hope you have a copy of this map that shows some of the
8 results. This shows the 14 schools that we selected the first year. We'll be
9 selecting more schools in the second year, and overall over the next five
10 years our goal is to have over 100 schools that have not had, particularly in
11 the rural Southside and Southwest areas of the state. Ten of the fourteen
12 schools that were selected the first year have been supported from other
13 funding but also were supported by other organizations, such as Altria, for
14 those that were outside of the Tobacco Commission area. In this last
15 newsletter there is a report on the successes that we've had in doing quite a
16 bit of training and ongoing support for the teachers of both AP and pre-AP
17 in each of the schools and training during the summer and ongoing support
18 during the year, vertical alignment meetings and interaction for the students
19 to be prepared.

20 You'll see on the first mention of the successes so far, in the
21 schools in the Tobacco Commission area we've moved from 250 students to
22 over, 255 students that were, I'm sorry, 210 that were in the AP classes last
23 year, and this year we have 1265 that are participating in those classes.
24 Many of the schools have picked up so that they have classes that they
25 simply didn't have at this level before.

1 I'd also like to bring to your attention the monies that you've put
2 into it. In this first year it was roughly \$150,000, and more has been
3 approved, but the report is to let you know how that's going on over the next
4 years. That \$150,000 was matched and developed from NMSI direct
5 program costs, this is nothing administrative. All of that \$150,000 was
6 direct to the schools for opportunities for training, for equipment, for
7 classrooms, and also to work with the students. That money was matched by
8 \$850,000 in NMSI funding. Then NMSI also picked up all of the
9 administrative costs. Together it was well over a million dollars that your
10 \$150,000 was matching to go into this. So, we feel like it's generated a very
11 good need that was put forth. NMSI has agreed that we've been meeting the
12 expectation, and many of the options we were the first state to actually make
13 available for our schools.

14 As I mentioned, we're focusing on the rural areas and have been
15 meeting with them through the fall and have been very responsive about
16 how the students are dealing and how they're engaged. They're also looking
17 at many different opportunities. Universities in the area have all come back.
18 On the very last page you'll see some of the universities and their responses
19 to the program as they see the need for the advanced placement.

20 We feel like overall we've been very successful in what we've
21 been doing, and we thank you for your support. If there are any questions,
22 I'll be glad to answer them.

23 SENATOR RUFF: Paul, when you look at the
24 map it shows three high schools, including Bedford, in this program, and a
25 number of counties are not in the program. What was the motivation for

1 Bedford County?

2 MR. NICHOLS: Each of the schools applied, we
3 had close to 30 schools that applied to participate, and this being our first
4 year we simply were not able to engage all of them with the training that we
5 had, and we have some administrative limitations that we have, and support
6 personnel. Those three schools were very strong in their desire for support,
7 and we made a lot of efforts to move forward to make sure that with the
8 vertical alignment and other opportunities that were going to be in place for
9 our staff to work. That's pretty much the same case we found in each of the
10 schools. There were a lot of specific points that we would look for,
11 including support from teachers and administration to develop this climate
12 for academic excellence. Bedford showed it, as did Franklin and
13 Martinsville, Smyth County, Pittsylvania, Halifax, Prince Edward and
14 Nottoway. I hope that answers your question.

15 SENATOR RUFF: That answers the question, but
16 we want it to be as broad as possible and get as many regions involved.

17 MR. NICHOLS: We're accepting applications and
18 working for others. We've got many, many from the region in this coming
19 year, and we'll be giving them first priority.

20 SENATOR PUCKETT: How many applications
21 have you gotten from Southwest?

22 MR. NICHOLS: We've got close to five from
23 Southwest this year that have come in.

24 SENATOR RUFF: The rule is that we fund this
25 over a several year period of time. You'd have to come back and make a

1 request for this year?

2 MR. NICHOLS: Right, it was actually budgeted
3 over the five years. The first year is in place in the report here, and that was
4 so that NMSI would continue to approve, and NMSI has given their full
5 approval for the year. This second year, I believe, we're asking for \$250,000
6 as was budgeted. This is not a new, this is not a new request, that would be
7 the second year.

8 MR. PFOHL: Mr. Chairman, just to clarify, these
9 are funds that were obligated last year, so this is just an authorization for
10 them to draw upon those funds in the second year.

11 SENATOR RUFF: Do we have a motion to
12 authorize?

13 MR. MOODY: So moved.

14 SENATOR RUFF: Is there a second? We have a
15 motion and a second. All in favor say aye? (Ayes.) (Unanimous.)

16 Next we're going to talk about the Scholarship Rules.

17 MR. STEPHENSON: Members of the Committee,
18 in your package is a single sheet entitled Tobacco Scholarship Rules
19 (Proposed), and there's some red ink on the page that might help you find it.
20 We've operated a scholarship program ever since the Commission began. I
21 come before you asking that you make four changes to the scholarship
22 program for the new year, being the school year 2009 and 2010.

23 The first change is that we increase the amount of each award in
24 both regions to accommodate the increase in tuition that has occurred over
25 the years that we've had this at a fixed amount. The red ink on your page

1 shows you the new recommended amount, going from 2,000 to 2,500 in
2 Southwest and from 3,000 to 3,750 in Southside, and they are commensurate
3 increases.

4 The second matter that I ask of you today is to increase the total
5 dollars available to the scholarship program to accommodate these increases.

6 You have in five or six years approved a total of three million eight for this
7 program, and to take care of these tuition increases the recommended
8 approval is four million seven fifty for the 09-10 school year.

9 The third change I'm asking of you, I'll need a little guidance
10 from the Committee. It's concerning the fact that the scholarships are
11 limited in the Southwest region only to tobacco families. Tobacco families
12 are evidenced by the presentation of a document that gives evidence of quota
13 on that family's farm. I learned last week that the Farm Services Agency
14 that issued these documents will no longer be issuing them, as the quota
15 system is gone. Beginning this year we really will not have any way to
16 identify an applicant as a tobacco family applicant. As a suggestion to the
17 Committee for consideration, I'm suggesting that you grandfather all existing
18 scholarship recipients so long as they remain a student until they've seen
19 through, and thereafter it would be on a first-come, first-served basis.

20 Mr. Chairman, I might want to stop and ask for some advice
21 from the Committee as to what they want to do with that piece.

22 MR. DAY: When you say first-come, first-served
23 basis, is that among the inhabitants of the region?

24 MR. STEPHENSON: Yes, for both regions they
25 must be residents of tobacco counties.

1 MR. DAY: Dropping the quota?

2 MR. STEPHENSON: Right. Currently only a
3 tobacco family as evidenced by this document may apply. This would drop
4 that requirement so that any resident may apply, and they would be in line
5 behind the current recipients.

6 SENATOR RUFF: That's a policy that Southside
7 used.

8 MR. DAY: How much of the 3.8 million have we
9 generally used every year? Are we using that money up, or are we getting
10 enough to apply to max that out?

11 MR. STEPHENSON: Barnie, inevitably there is
12 some money left over every year, because it's nearly impossible to award
13 and have every piece of money taken up, because students drop out, change
14 schools, leave. So we almost always have a piece of money left over. We
15 settle annually the remaining balances in a given school year, and those
16 balances are returned back to this Committee for redeployment in other grant
17 programs.

18 MR. DAY: The evidence is that we are meeting
19 the demand?

20 MR. STEPHENSON: I think that's accurate.

21 MR. FIELDS: I don't think we'll meet the demand
22 in Southwest if we open it up.

23 MR. STEPHENSON: That's a distinct possibility.
24 I think I need to clarify. The Scholarship Administrator takes all of the
25 applications, which is sometime oversubscribed, but by the time it's all over

1 with and the awards have been made and students make changes and drop
2 out and all the changes are finished, by the time the end of the school year
3 comes, there is always a little piece of money left over. It can be
4 oversubscribed in the beginning, but because it's too late to award those
5 dollars to somebody else they come back to us. Yes, Mr. Fields, if we open
6 it up to all residents the over-subscription level is likely to be much greater.

7 MR. BANNER: A lot of what I understand from
8 this Commission in Southwest where at least we try to designate this as the
9 burley tobacco families because our funds were somewhat limited to
10 everyone. I think a situation will develop where you've got members of
11 families that may be currently receiving these benefits and there are younger
12 siblings that might be a grandson, great-grandchildren that would come
13 along and not be able to offer this on a priority basis to those folks.

14 I'd like to hear something from Rachel on that. I'd like to see
15 that stay in place basically because that's how it was designed, number one
16 need to take care of these farm families in Southwest. I think if we open it
17 up to everybody it's going to be over subscribed. This is how we originally
18 wanted to handle this. The grandfathering part is great. I'd still like to see
19 the families that had originally grown burley continue to be qualified for this
20 money, and I'd like to see them have the first shot at it.

21 MR. NOYES: The Staff is not, our concern is
22 verification, it's not a policy issue. I want to be very clear on that. We
23 understand Southwest wants to go that route, and it's verification.

24 MR. REYNOLDS: I was just going to comment
25 related to Mr. Banner's comment. I can think of a situation in our area where

1 because what he's talking about applies to some families, some wouldn't be
2 able to take advantage. If you put it on a first-come, first-served basis, then
3 I'm sure we'll get a lot of demand, and farm families will be left out. I
4 understand the verification part. If we could come up with an avenue to do
5 that I would support it, if we could come up with something like that.

6 MR. STEPHENSON: Gentlemen, the document
7 that was used to identify farm families is the MQ 25 issued by the Farm
8 Service Agency. I believe the last year that those forms were issued for was
9 the crop year 2002, because thereafter quotas went away. So, we're still
10 operating on the 2002 quota designation. The unavailability of these forms
11 came to my attention last week. Just a moment ago our scholarship
12 administrator who is here, Rachel, she may want to come and speak to that.
13 That indicates to me that the Farm Service now says they may be able to
14 continue to provide the '02 forms for a little while. So I think there's some
15 confusion about whether FSA can or cannot, but the data is 2002, and it's
16 growing stale with each passing year.

17 SENATOR PUCKETT: We talked briefly about
18 this 15 or 20 minutes ago and that's the first time we've heard anything about
19 it. I think, and I'm not going to speak for everybody in Southwest, but I
20 think our commitment in the Southwest has always been for the farm
21 families. What we envision happening, if you sort of grandfather everybody
22 in the program now, once they're gone and nobody is grandfathered, then
23 you open it up on a first-come, first-served basis, and there may be farm
24 families that are left behind. I would like the Staff, if they would, to explore
25 the possibility of how long we can use the form to do that, and if we can't

1 use that, grandfather all those farm families that we have in the program
2 right now. I think we have that record, the administrator would have it. In
3 my case I have two grandchildren on the way, and they're not even here yet,
4 and it will be a long time before they get in the program, if they ever get into
5 it, but I'd want them to be able to at least have a first choice, and I think that
6 was our intent in 2000 when we established this. Some people thought we
7 were being a little narrow-minded when we did that, but our issue was to
8 provide for farm families of the Southwest burley region. I'd like to see if
9 there is some way to verify that, that farm families still have the first option,
10 first shot at this money. After that fact, I wouldn't object to you opening it
11 up on a first-come, first-served basis. I envision, as you've already heard
12 from some other people, that this could be a problem down the road.

13 MR. STEPHENSON: Mr. Chairman, I'm hearing
14 the sense of the Committee that they wish to remain with farm families, and
15 I have requested that the information coming from FSA is late-breaking and
16 we don't have certainty surrounding that information, so I suggest to you that
17 we leave the farm family clause in place just as it is now, and Staff will sort
18 this out and report exactly what we can and cannot do at a subsequent
19 meeting which will be in time for the '09-'10 school year.

20 MR. FIELDS: Just to be sure to understand, we're
21 still narrow-minded about that, which we will remain, and I'm sure FSA,
22 once they're told to do it, will do that. Maybe it's a matter of not wanting to,
23 but this is very important. If they say we don't do it anymore, and maybe
24 they won't have any records, but I don't buy that. I think this has been a
25 successful program, and I think we should continue it the way it was.

1 MR. MOODY: I'd like to say as a farmer there is a
2 Farm Service Agency that will tell you what your crop was in that particular
3 year, and they'll print it out for you. There is a form for present farmers, not
4 for past. Are you concerned about the present or past, or both?

5 MR. STEPHENSON: The existing rule is tied to
6 quota, and quota is no more. We're using the 2002 crop year quota issue for
7 FSA, regardless of what you are growing or doing now.

8 SENATOR RUFF: Not hearing any motion that
9 that part be changed, we'll stay the same this year, but I would suggest check
10 it out for next year.

11 SENATOR PUCKETT: Ned, we'd like to be on
12 record that you're going to check on that.

13 MR. STEPHENSON: Yes.

14 The fourth item of change, that appears on your sheet in the
15 bottom right-hand corner with respect to the Southside program. Prior to
16 today the rule was that a student had to return to Southside to work in the
17 field of study for which the scholarship was made. We're finding this to be
18 impossible to administer, because if someone has a biology degree, how can
19 you tell if they're working in their field of study or not? Some of the degrees
20 are difficult, placing a burden on the administrator. We're recommending
21 that persons enjoy the loan forgiveness program part of this program if they
22 return to Southside to work in any field. We have some students coming
23 back as assistant school teachers, they're working in retail areas, they're
24 working in government offices, and they want to claim that degree prepared
25 them to do that work. It's fuzzy for us to say, well, no, it did not. We want

1 to include all areas of employment and make the administration possible.

2 Mr. Chairman, I am inviting a motion before you --

3 SENATOR RUFF: The money that's been
4 recovered, the forgivable loans is what?

5 MR. STEPHENSON: The money that is recovered
6 is returned to the Education Committee for redeployment back through your
7 grant process.

8 SENATOR RUFF: Through the scholarship
9 program?

10 MR. STEPHENSON: Not through the
11 scholarship, but it's just put in your bucket as part of your balance to date.
12 That number varies each year.

13 MR. NOYES: We have a report in your packets.

14 SENATOR RUFF: I think we may want to think
15 about that. It should be coming back to the scholarship program.

16 MR. STEPHENSON: We can certainly account
17 for it that way if you so tell us to.

18 SENATOR RUFF: We'll have to talk about that
19 later. At this time, is there a motion to deal with all of the changes?

20 DELEGATE WRIGHT: So moved.

21 DELEGATE MARSHALL: Second.

22 SENATOR RUFF: Any discussion on that? All in
23 favor? (Ayes.) (Unanimous.)

24 MR. STEPHENSON: Lastly, Mr. Chairman, I'm
25 asking that we continue with the current scholarship administrator which is

1 at the Southwest Virginia Higher Education Center under an administration
2 agreement to be negotiated with the Staff with an administration fee not to
3 exceed six and a half percent, which is commensurate with what we've done
4 in the past. I invite that motion.

5 MR. MOODY: So move.

6 MR. BANNER: Second.

7 SENATOR RUFF: Any further discussion? All in
8 favor say aye? (Ayes.) (Unanimous.)

9 Moving right along.

10 MR. STEPHENSON: Mr. Chairman, you have in
11 your package a single sheet entitled, Grant History as of October 8th. This
12 is an aging schedule of grant recipients, not all grant recipients, but those
13 before you today who have old outstanding grants that have not been
14 disbursed or rescinded. Staff is presenting this to you as a tool by which you
15 may help clean up some old stale grants.

16 I will tell you that the Southside Committee met this morning,
17 and we placed a similar sheet in front of them, and I'd like to tell the
18 Committee the action that the Southside Committee took as a point of
19 discussion for you to consider. The Southside Committee basically
20 approved language as follows: "All grants for which disbursement has not
21 been requested shall automatically be rescinded on the third anniversary date
22 of the approval, unless extended in writing by the Commission."

23 For existing grants, this would be effective next April to give
24 these people a time and a chance to clean up, and for future grants, being
25 those made today and in the future, and it would be effective immediately.

1 This basically sets a three-year window for these grants to get used or else
2 they come back to your Committee for reallocation through your grant
3 approval process.

4 SENATOR RUFF: For those in the Southside
5 Committee meeting this morning, that motion passed unanimously. Would
6 anyone like to make a motion?

7 MR. MAYHEW: So moved.

8 SENATOR RUFF: Is there a second? Any
9 discussion? All those in favor say aye? (Ayes.) (Unanimous.)

10 MR. STEPHENSON: Thank you, Mr. Chairman.

11 SENATOR RUFF: All right. Tim.

12 MR. PFOHL: The FY09 Education Grant Process.

13 SENATOR RUFF: Before you do that, what we
14 received from the Southside Committee this morning was a request to move
15 to us a request for \$281,000 from Danville Community College.

16 MR. PFOHL: Mr. Chairman and members of the
17 Committee, we have a few items on the late breaking news front. The
18 spreadsheet that is at the front of your Staff report with the Staff's
19 recommendations, and the first proposal, number 1691, is from Averett
20 University. They have made a request that that be tabled.

21 The Bluefield College proposal, number 1706, and they have
22 reduced the amount of the Bluefield proposal to a request of \$250,000. So,
23 Bluefield College is at \$250,000 now.

24 In turning to the second page of the spreadsheet, 1685,
25 Lynchburg College. Lynchburg College has reduced their request to

1 \$180,000.

2 As the Chairman noted this morning, the Southside Committee
3 sent proposal 1738 from Danville Community College, actually the balance
4 that was requested, the request was partially recommended for funding by
5 Southside, and the balance that has been sent to your Committee is
6 \$281,000, and there is a summary of that project at your request.

7 Those are the changes since the Staff reported.

8 SENATOR RUFF: So everyone will know what
9 we're going to do here, first, we're going to go through those that have been
10 proposed for funding, and we'll do that very quickly. If you have any
11 objections to the funding of one of them, speak up, and we'll pull it out of
12 the block. When he finishes that, we'll vote for the block. Then, we'll go
13 through those that did not receive funding. If you have an objection to any
14 of those, we'll pull those out of the block, and then at that time we'll handle
15 those that had objections from either those that we proposed funding or
16 those that did not get proposed funding. At that time if anybody wishes to
17 add, we'll probably have to include in a motion what they would like to cut.
18 So don't anyone get the idea that we can fund a million dollars here or a
19 million dollars there, you'll have to come up with what you're going to cut.

20 MR. PFOHL: Just a couple of notes for the benefit
21 of the Committee regarding the process. We scheduled this grant cycle and
22 the Staff issued a press release, and we're not sure how many papers picked
23 up that press release, but we felt that was an important step to let folks know,
24 and those who weren't previously aware of the Commission, let them know
25 about the availability of education funds. Our regional field staff also

1 released e-mails, and they used their e-mail contact lists to get that grant
2 funding cycle information out to the folks that we've had previous contact
3 with.

4 I want to also recognize the work of our regional field staff.
5 Their hard efforts have recaptured \$265,000 of old Education grant funds
6 that were unused, and those are included in the amount that is available to
7 you today. As I would describe it, sensitive, yet aggressive, and they're
8 dealing sensitively with our grantees to put those monies back to work.
9 There are some other carry-forward funds in the pot here today.

10 As the Chairman noted, hopefully, I'm going to be as brief as I
11 can, because if I talk for two minutes about each one of these proposals, that
12 would take up an hour and a half of your afternoon. Moving through the rest
13 and to make it easier for you, look at the list that's on the screen. That
14 includes all the projects that received a positive Staff recommendation.

15 The Southwest Higher Ed Scholarships we've already dealt
16 with. Is there a motion to approve that?

17 SENATOR RUFF: We've done that.

18 MR. PFOHL: Starting with Central Virginia
19 Community College, Allied Health Careers, Cardiovascular Sonography.
20 The Staff is supporting that with a full request in the amount of \$403,976 to
21 establish this regional program which would draw students from across
22 Southside.

23 The second proposal is from the Community Foundation of the
24 Dan River Region doing business as the Dan River Regional Collaborative.

25 The National Fund for Workforce Solutions is comprised of

1 national foundations that have awarded since the time of application, and
2 they've awarded national grant funds. The applicant has told us that they can
3 survive the next year with one-third of their request, so Staff has supported
4 that recommendation for \$200,000 to match the national grant funds.

5 The Crater Regional Partnership is in front of you again. The
6 Skill Streams for Success, that's been funded on several previous occasions.
7 This is a community college service area and has never received an annual
8 allocation of funding from the Committee when we used to do business that
9 way. This is a regional approach to using state and nationally recognized
10 testing credentials, and we're recommending the full award of \$110,000.

11 The Mount Rogers Regional Adult Education Program is
12 requesting \$198,000 from the Southwest Virginia Race to GED. This is an
13 organization whose programs have been in front of you before and have
14 been reported. We've received some information about the GED testing
15 across three planning districts in Southwest Virginia that are served by this
16 program. Staff is supporting an award of \$90,000 for GED testing and
17 scholarships and supporting a request for \$108,000 in marketing funds.

18 MR. REYNOLDS: I'd request that we review that.

19 MR. PFOHL: Mountain Empire Community
20 College submitted a request for \$525,000 for scholarships for tobacco
21 families and AIMS higher scholars. There are some substantial previous
22 balances that appear on the chart. We had received a projection of those
23 balances for a portion of the '09 school year. We're recommending a
24 \$200,000 award which would fulfill an obligation to the AIMS higher
25 scholars, which are the people who are going to graduate this coming spring

1 from the high schools and will receive an offer for full tuition assistance.
2 That'll provide some additional money for tobacco family scholarships to
3 carry them through the fall '09 semester, which will give them an
4 opportunity to be back in front of you in a year.

5 Patrick Henry Community College Foundation requesting
6 \$510,000, and we're supporting a recommendation for \$440,000, which
7 reduces some specific elements of that request, including reducing the
8 number of lap tops requested. We can go into the details of that if you'd
9 like.

10 Southside Community College, Academic Preparation for
11 FY09, requesting \$584,484, and we're supporting a funding award of
12 \$407,000, which would specifically eliminate a proposal to establish a
13 barbering and cosmetology program in one of the localities served by the
14 community college. We're also suggesting some elements of a small
15 business incubation request should be sent over to the Southside Economic
16 Development Committee. Likewise, with Patrick Henry, there is a small
17 business element, assistance element that we're suggesting go to the
18 Southside Economic Development Committee.

19 Southwest Community College, their Tobacco Scholarship
20 Program, requesting \$550,000. We're recommending an award of \$300,000.
21 The Southwest has probably been the one community college that has fully
22 used their scholarship awards in the year granted, and this would be an
23 amount that would carry them through until the fall of '09, through that
24 semester, when they'd have an opportunity to be in front of you again.

25 MR. REYNOLDS: I would request that be

1 reviewed.

2 MR. PFOHL: Southwest Community College for
3 the SVCC Construction Academy, and you'll see the requested amount there,
4 and that's to renovate facilities on campus to expand the trades that are
5 currently offered by adding three trade programs. The Staff is suggesting
6 that the supplies and materials amount required for those renovations and
7 equipment for those facilities be funded at \$205,000, and we're hoping they
8 can get in-kind labor donated to install those materials.

9 University of Virginia initially requesting just under 3.3 million
10 for a three-year effort to expand the two-plus-two engineering option they're
11 currently pursuing with Central Virginia, which is a two-year engineering
12 associate degree that you would get from your community college. A
13 student would then move for the third and fourth year to the UVA
14 engineering program without having to go to Charlottesville. They could
15 stay right at the community college in their home service area. They've
16 revised their proposal down to one year of funding at \$656,000, and that's
17 what we're supporting.

18 Next is the Virginia Early Childhood Foundation, Skilled
19 Readiness Initiative.

20 DELEGATE MARSHALL: I'd like to review that.

21 MR. PFOHL: The Virginia Highlands Community
22 College, Scholarships for Tobacco Families and AIMS Higher Scholars, a
23 \$500,000 request, and we're suggesting that be reduced to \$250,000 to carry
24 them through until the next Education grant cycle.

25 MR. REYNOLDS: I would request we review

1 that.

2 MR. PFOHL: The Wytheville Community
3 College to establish an HVAC program at the Crossroads Institute, which is
4 a regional facility in Galax which the Commission has supported in the past.
5 The Staff is supporting funding of \$71,882, which would be equipment
6 required to initiate this program at the Crossroads. They currently have
7 faculty that are teaching HVAC at the Wytheville Community College main
8 campus, and I believe the college is agreeable to that.

9 The Wytheville Community College Educational Foundation.

10 SENATOR RUFF: Let's review that.

11 MR. PFOHL: All right.

12 SENATOR RUFF: Before us are the following:
13 number 1677, 1698, 1687, 1690, 1682, 1695, 1679, 1699, 1686.

14 MR. FIELDS: I'd request that the Mountain
15 Empire Community College be reviewed. That's number 1690.

16 SENATOR RUFF: If there is no other objection,
17 is there a motion to approve those?

18 MR. FIELDS: Hold on a minute, 1697.

19 SENATOR RUFF: Is everyone aware of the ones
20 we are going to pass now? Is there a motion? There has been a motion
21 moved and seconded.

22 MR. FIELDS: What's the question?

23 SENATOR RUFF: The question is to approve
24 those that were not objected to.

25 MR. PFOHL: Mr. Chairman, if you would name

1 those. Central Virginia Community College, 1698, Dan River. 1687, Crater
2 Regional Partnership.

3 MR. FIELDS: Mr. Chairman, I make a motion
4 that we --

5 SENATOR RUFF: -- Do you want to discuss that,
6 Fred?

7 MR. FIELDS: Are you talking to me?

8 SENATOR RUFF: Yes, do you want to discuss
9 those?

10 MR. FIELDS: We've got a motion.

11 SENATOR RUFF: We've got a motion on the
12 floor, and there is a second. All in favor say aye? (Ayes.) (Unanimous.)

13 Now, let's move on to those that were not funded.

14 DELEGATE MARSHALL: Are we going to
15 discuss the ones that were objected to?

16 SENATOR RUFF: We'll go back to the ones that
17 were zero, and then if there are any objections to those, we'll discuss them all
18 at one time.

19 MR. PFOHL: Where are we starting, Mr.
20 Chairman?

21 SENATOR RUFF: Let's move down the ones that
22 didn't receive a Staff recommendation. 1704, Bland County Schools,
23 Mountain Home Center to do renovations to the facility adjacent to the
24 county high school for cultural and science programs and the request was for
25 \$150,000.

1 Anyone stop me if you want to discuss it.

2 The Bluefield College request was reduced to \$250,000 to
3 initiate a regional nursing education program, a Bachelor's degree in health
4 care management, leadership.

5 SENATOR PUCKETT: I would object to that, but
6 I would like to comment. I don't want anyone to take the comments that I'm
7 going to make as lack of support for any of these. In the Southwest we have
8 three, none were funded. One in Southside was not funded, also. We have
9 in total four grant requests and are higher education. I've reviewed all of
10 them, particularly those in the Southwest. They're very deserving and have a
11 lot of merit in what they're proposing to do. I have serious reservations
12 about stepping out of the mandate, I guess, that we have as a Commission,
13 and it's probably not something that this Committee can resolve today. I'm
14 not sure that's within the scope of our mission to head toward private higher
15 education colleges. We've done that on occasion in a special instance
16 before, and this is how I feel about it. I think the Commission has to stand
17 up and make a decision, are we going to go down this road, because you
18 look at the four that are here, and if you think that's going to be the only ones
19 after we start down this road, you're sadly mistaken. Everyone thinks they
20 have an opportunity and have a good program, as I said, all of them are very
21 worthy. I believe we're stepping over the bounds of this Commission's
22 responsibility to fund this type of program for private education at a higher
23 level.

24 One of the things that bothers me a little bit is if we go down
25 this road, and I'll say this up front, if we vote for one of them, I'll vote for all

1 of them, because I think they're all worthy. I'll just say up front I don't
2 support any of them at this time, and I don't think it's this Committee's
3 responsibility to make that decision. I think the Commission must take a
4 look at where we're going with this type of funding. It's very difficult for me
5 to do that, three of them are in the Southwest area, and I'd certainly like to
6 see them funded, but I recognize what the consequence of this might be. I
7 want you to know personally I do not support that type of funding for private
8 institutions. I voted in the past for money to go to private institutions
9 because I felt it had a significant economic impact on the communities. I
10 think these are programs that private colleges and universities need to take
11 the responsibility to fund. If that program is really important to them and is
12 really something they want to do, then I think private colleges and
13 universities ought to be willing to fund it. I know you're going to go through
14 two or three more. I just want you to know that I think the Commission has
15 to make a choice, are we going to do this and fund these grant requests, or
16 are we going to say that's not our responsibility.

17 As you go through these, Tim, I'm going to suggest that they all
18 be left on the table, and then at our next full Commission meeting that that
19 issue be on the agenda, and the Commission can decide one way or the
20 other, recognizing that when we get to the full Commission sometimes
21 things change anyway. There may not be one individual here that agrees
22 with what I have said, but for the time being I don't think this is an issue that
23 we need to discuss until we decide are we going to go down that road and is
24 that within our responsibility as a Commission to do that.

25 Thank you, Mr. Chairman.

1 SENATOR RUFF: Was that a motion, or do you
2 want to make that motion later?

3 SENATOR PUCKETT: I'll make a motion that we
4 table these items at this time.

5 DELEGATE MARSHALL: Second.

6 SENATOR RUFF: You've heard Senator Puckett's
7 feelings. Does anyone want to weigh in on that? Out of fairness, I know
8 that people have come from a few miles away to discuss some of these, so I
9 guess we ought to hear from them, and give them a chance to at least speak
10 to it.

11 MR. DAY: Mr. Chairman, I have a question for
12 the Senator, and you can answer it if you wish. What is your position on our
13 tobacco scholarship money being spent at private institutions?

14 SENATOR PUCKETT: I support that to the
15 extent that private institutions recognizing that's the individual tobacco
16 family's responsibility to go where they want to. In the beginning we limited
17 that a little bit. We said it had to be in Virginia or at a Virginia school and
18 can't use it outside of Virginia, but we changed that. I support the families'
19 right to go wherever they want to go. I think it's a little bit of an apples and
20 oranges with the issue I have with the private schools.

21 DELEGATE WRIGHT: Mr. Chairman, with the
22 remarks now, is this Committee going to consider the proposals before us, or
23 do you want an affirmation of each particular proposal?

24 SENATOR RUFF: The issue before us is that we
25 should hear the proposal. What Neal has said, maybe we should send all

1 four of them to the Strategic Planning Committee to see if that conforms to
2 the strategic plan.

3 DELEGATE BYRON: We'd have to have a
4 meeting soon.

5 SENATOR RUFF: We have a motion on the
6 floor.

7 SENATOR PUCKETT: I'll withdraw the motion.

8 DELEGATE WRIGHT: That was my intention.

9 SENATOR RUFF: You're withdrawing your
10 motion?

11 SENATOR PUCKETT: Let me back up, withdraw
12 my motion and make a new motion that we send that issue to the Strategic
13 Planning Committee for their consideration as to the direction that this
14 Commission should move toward funding grants to private colleges and
15 universities.

16 DELEGATE WRIGHT: I'll second that motion.

17 SENATOR RUFF: We have a motion properly
18 before us and a second. Again, there are people who wish to, or who have
19 come a long ways to speak today to at least one of these proposals, and I
20 think we should give them time to at least speak to that motion. You
21 understand you're being asked to speak only on the issue of whether we
22 ought to refer this to the Strategic Planning Committee?

23 MR. TROY: I do, Mr. Chairman, and I appreciate
24 the opportunity to appear briefly before you.

25 Mr. Chairman, I'm Tony Troy, a partner in the law firm of

1 Troutman Sanders in Richmond. About a year ago a former friend of mine,
2 and I emphasize former because he twisted my arm and that of others to
3 please come to Southwest Virginia to serve on the Board of Virginia
4 Intermont College. The college as it was at the time, and is today, has a
5 serious problem with the accrediting agency called SAX. I'm trying to
6 impact on the SAX with regard to the delay in consideration, Mr. Chairman,
7 and that's what I'd like to address briefly to this Committee.

8 Virginia Intermont has today a President, Mike Felice; the
9 Director and Chairman of the Board, Neal Kennedy; Gwen Mason, a
10 member of the Roanoke City Council; former Delegate Bill Wilson,
11 Alleghany, Covington County. These individuals have been convinced as I
12 did by Governor Baliles to step forward about a year ago and serve on the
13 Board in the Southwest area of Virginia Intermont College. We have a 30-
14 member Board with 11 new members.

15 The request before you is for a specific academic program. Let
16 me explain to you it's more than the academic program. Virginia Intermont
17 College is on SAX accrediting agency not wanting probation, and the new
18 board has put into place with consulting aspects to save the college, one with
19 regard to improving enrollment, another with regard to the financial issues
20 and thirdly, to improve academics ensure aspects of the professors with
21 terminal degrees in the various curriculum that exists. The bottom line is
22 that we just finished a SAX review, and we have to appear before them on
23 December 6th in San Antonio, Texas and must give a report by November
24 21, two weeks before that appearance on our financial aspects and
25 fundraising. We've put in place three forms, finance and enrollment and

1 academics. We've put in place a \$10 million campaign. SAX has said we
2 want to see commitments of two million by November 21 or you may not
3 exist. As you know that's in the Southwest area of the state. Next year we
4 hope to enjoy the 125th anniversary of Virginia Intermont College. That
5 college has a \$32 million impact, employment, etc. in the Bristol area. There
6 is not a school in the Southwest area that does not have a Virginia Intermont
7 graduate teaching the children of your families in the Southwest part of the
8 state. We need money to survive.

9 Last year you made a \$400,000 investment, and based on that
10 we met a \$6 million challenge. We have now put in place the three legs of
11 the stool which we can implement by June of next year and see the future of
12 that college continue for more generations. So, if you could consider this
13 not as funding a private curriculum but having an educational, economic
14 impact on the Bristol area of the Virginia Intermont College which needs
15 your help, and for that we would ask for some consideration if at all
16 practicable and if at all possible.

17 Mr. Chairman, I'd be happy to answer any questions. I can
18 assure you you have a new Board at Virginia Intermont and they are fully
19 engaged and fully active. We have plans in place, and we see light at the
20 end of the tunnel, but we need a bridge to get from where we are today to the
21 \$2 million so that we can continue as we did last year to get a \$6 million
22 challenge that will meet a \$10 million challenge, and we need your help for
23 the Southwest part of the state so that those students who graduate and those
24 who have been sending their sons and daughters for over 125 years, many of
25 whom who have come back and are leaders in the community, small

1 business operators and teachers, can continue in those generations ahead of
2 us.

3 Thank you.

4 SENATOR RUFF: Any questions for Mr. Troy?

5 MR. DAY: Mr. Troy, did I understand you to say
6 that that school has a positive \$32 million economic impact?

7 MR. TROY: Yes, it does when you take a, that
8 was an analysis done two years ago, Mr. Day. That's both direct and indirect
9 with regard to taxes, jobs, salaries and the spending impact. That's the
10 approximate economic impact, direct and indirect, for the Bristol area by
11 Virginia Intermont College.

12 MR. DAY: What are you all asking of this
13 Committee?

14 MR. TROY: We had asked and received last year
15 approximately a \$400,000 grant, and we appreciate that immensely. We
16 wanted to establish in a business school, a curriculum with regard to
17 tourism. You fund tourism, and you look for opportunities to expand for
18 visitors. Our concept was that this Commission is expanding and creating
19 visitation tourism opportunities, some people need to be educated in order to
20 know how to run that type of thing, and that's what we were hoping to do,
21 educate them and leave them there and have them run various tourism
22 aspects.

23 Let me just mention one other aspect. I guess this is direct to
24 Senator Puckett's issue, which I fully understand. In this world today, and
25 compared to where we were when we grew up, including the cold war and

1 the arms race, today's society as we know it with economic change and
2 uncertainty, education is the coin of the realm. The only way we're going to
3 prosper in the future is through education. The only key investment we need
4 to make for our citizens is education. No society has survived over the
5 centuries without improving its educational opportunities, and the education
6 is going to be the key to it. Governor Baliles indicated very clearly in an
7 address he made about how as a nation there must be a connection between
8 higher education and the caliber of our responses as the world changes. We
9 need to state the case and restate it over the connection between investment
10 and return, higher education and economic growth, higher education and
11 social progress, higher education and responsible citizens, higher education
12 and the future. We need the Bristol area to continue having the fine
13 educational institution that's been there for 125 years.

14 MR. FIELDS: Mr. Chairman, Mr. Troy, I think
15 this is a little bit different situation when we have met before and made you
16 all a grant; that was from the Southwest Economic Development. We
17 realized at that time the impact that Virginia Intermont has on the Southwest.
18 In the program you all are trying to start here, \$238,700, is that going to be,
19 is that going to be a program that you are going to need for the SAX
20 accreditation? How are you going to use this?

21 MR. TROY: Let me be direct and tell you that the
22 failure to have this program is not something that SAX would de-credit us
23 for, but we believe the funding of this program would demonstrate to SAX
24 and do it December when we appear in San Antonio, that we have funding.
25 They just want us to have funding to ensure the financial viability. They're

1 looking upon it as dollars and not as the course itself.

2 SENATOR PUCKETT: Mr. Troy, let me just
3 comment on where I'm coming from, if I haven't made it clear. I think in
4 this room no one values education more than I do. My question and concern
5 is, is this the direction, and not just for VI, but for Bluefield College, for
6 Averett, for Emory and Henry, Lynchburg and the others. Do we want to go
7 this way? If the Commission says yes, go this way, I'll be a hundred percent
8 behind that. I have a question in my own mind, is this something we ought
9 to be doing? I'm not clear on it, and I can hope we can expedite this before
10 the November date that you all have to do what you have to do, and we
11 might do that with an Executive Committee meeting and do something about
12 it. I think it's an issue we need to resolve and we need to resolve it for the
13 Commission as quickly as we can. Certainly, you all need to know. I'm
14 very much in favor of trying to do that as quickly as we possibly can.

15 MR. TROY: Senator, let me emphasize if I may,
16 sir. I didn't interpret your remarks to denigrate education, and I know
17 everyone here wouldn't be serving on the Education Subcommittee without a
18 dedication to education. I appreciate the opportunity to be here, and I hope I
19 have put the focus on the economic needs of this specific institution.

20 MR. REYNOLDS: Mr. Chairman, I would just
21 like to say as a resident of Washington County, we understand the economic
22 impact VI has on our community. This is a definite policy, and the college
23 has a very big impact. Maybe some way we can come up with a way to
24 rectify this situation, and they certainly deserve our help.

25 MR. TROY: Mr. Reynolds, in my travels back

1 and forth I can assure you that we would help improve the economic
2 situation in Washington County and wouldn't have to raise money from
3 speeding tickets.

4 Mr. Chairman, thank you, sir.

5 MR. FIELDS: I think when you first started
6 speaking, I kind of feel like this is before the wrong subcommittee. We're
7 trying to improve education, and I didn't begrudge one penny out of
8 Southwest Economic Development. I think I made the motion for that
9 money. I kind of agree with Senator Puckett in one way here. I know this
10 has an economic impact on Southwest Virginia.

11 MR. TROY: I appreciate the opportunity to be
12 here, Mr. Chairman, thank you very much.

13 MS. RUTH BLANKENSHIP: I'm Ruth
14 Blankenship from Bluefield College, and I'll be very short. I'd like to make
15 a few comments about our project, also we can get some direction from the
16 Commission and whether the Strategic Planning Committee will handle that
17 funding.

18 Our project is in partnership with the two community colleges,
19 Southwest Virginia Community College and Bluefield College, they have
20 endorsed our project. We're working in partnership to help address the
21 needs to advance two-year programs and provide a four-year capacity
22 opportunity for education. That may be an area that you'd like to explore for
23 the private colleges that we seek out public and private partnerships and
24 strategically work and public institutions to address education and workforce
25 in the Commonwealth.

1 MS. TERESA KELLER: Ladies and gentlemen,
2 I'm Teresa Keller from Emory and Henry College, and I do understand
3 Senator Puckett's concern, and I think that is a valid question. If that had
4 been the parameters when we applied we certainly would not have applied. I
5 would request that if this is the direction you take that you delay it, since
6 those of us who applied under this particular plan had no such prohibition
7 because we were from a private institution. Yes, we are a private institution,
8 but we are located in Washington County, Virginia, which is in the heart of
9 the burley tobacco area. We are known for serving our immediate region
10 and serving first generation college families. Our proposal is somewhat
11 unusual, and I don't know if this is the time I should mention any specifics,
12 except that it is an unusual proposal and not one you generally have seen,
13 because it's an area that kind of operates behind the scenes, audio files with
14 web sites and with pod caps. When you pick up the phone and call
15 somebody and you get a recording on the telephone, it's a very narrow area,
16 and it's not an area that's offered in the kind of environment that we propose
17 to offer it in any other institution and not in four-year institutions of the
18 Commonwealth.

19 In our part of the territory, first of all we're in a low income area
20 and we need skilled training, maybe more so than other parts of the state.
21 We have a lot of two-year colleges, but we don't have a four-year college. In
22 the Abingdon area there are not four-year institutions in the state in that area.
23 I'm from a farm family, and I went to a private liberal arts institution, and
24 that was a choice my family made because of the religious connection and
25 also because we didn't have the vision in my family to even consider the idea

1 of sending me to a big institution somewhere far away from home. I think
2 there are still families that operate with that kind of mindset. When you're
3 first generation college, as I was, you can't look to your family to guide you
4 in those areas, because they didn't have the kind of experience. The kind of
5 project we're proposing is a unique skill and one that is in demand, not just
6 in broadcasting, but in every corporation that has a Web site. Every time
7 you go to a Web site and click on something and hear something, somebody
8 may be able to manage all your files and we believe we do serve the exact
9 kind of student that it is your mission to serve. If you do make this decision,
10 after I am sure what will be considerable thought and consideration, I would
11 beg of you to put it off until the next round. Thank you very much.

12 DELEGATE MARSHALL: Mr. Chairman, is not
13 the question before us not the merits of the project but to see if we want to
14 move these projects?

15 SENATOR RUFF: That is correct.

16 MS. ANGELA TAYLOR: Hello, I am Angela
17 Taylor with Lynchburg College, and I'll be very brief and to the point. I'd
18 like to point out that many of the private institutions have sought out a
19 public-private partnership, and I would ask the Commission to perhaps
20 consider that and refer these proposals on an individual basis if the decision
21 is to move forward with referring them to the Strategic Planning Committee.
22 Thank you.

23 SENATOR RUFF: All in favor of the motion of
24 Senator Puckett to move all of the private college proposals to the Strategic
25 Planning Committee, please say aye? (Ayes.) All opposed? (No response.)

1 MR. PFOHL: That brings us to the Franklin
2 County Workforce Center Initiative. The Commission has provided
3 substantial funding for the county to build an outstanding new facility in
4 downtown Rocky Mount, as well as initiate programs there, and they're back
5 with us again to request \$350,000.

6 The Dan River Business Development Center, requesting
7 \$350,000 to initiate new programs and provide some upfitting and
8 renovation space at that facility.

9 Number 1717, Dickenson County. This is the Dickenson
10 Center for Education and Research Facility; and the Southwest Economic
11 Development Committee just approved, voted in the July Commission
12 meeting, and they're requesting an additional \$300,000 towards renovation
13 in a former shell building, which opened for classes just last month.

14 Let's jump back up now to Halifax County. The public schools
15 are requesting \$75,000 for about six months of operating costs to conduct
16 GED testing in their service area, which extends beyond Halifax and
17 includes Fort Pickett and Blackstone and Nottoway County.

18 The Lonesome Pine Office on Youth is back again. They're
19 making a request for the Southwest Virginia Imagination Library, \$262,512
20 for the purchase of books for children, once a month from birth to the age of
21 five for the Dolly Parton National Foundation.

22 Mountain Empire Community College request for Workforce
23 Development for Energy Sector, requesting \$300,000. The Commission has
24 provided grant funding just under \$500,000 already for training and
25 scholarships and supporting the development of the Dominion Power Center

1 in Wise County, and that would be additional funding for program
2 operations and scholarships and equipment.

3 Mountain Kids, Incorporated is a non-profit located in Tazewell
4 County calling for \$161,310 for scholars for tobacco mountain scholars and
5 careers in technical education program and after school counseling and a
6 mentoring program for high school aged students that are at risk in Tazewell
7 County.

8 Next is the Second Chance Learning Center, SCLC, expansion.
9 It is a similar organization also in Tazewell County that does after-school
10 mentoring and educational tutoring for at-risk youth in Tazewell County,
11 requesting \$50,000 to expand their programs and add additional instructors.

12 The ODU project we already heard about from Mary Sandy.

13 SENATOR RUFF: There's an objection on that
14 one.

15 MR. PFOHL: Rich Valley Agriculture and Fair
16 Association for the Rich Valley Community and Education Center
17 requesting \$199,450 to be built in Rich Valley and Smyth County. This
18 request is to do some interior upfitting of a building to provide for training
19 and education center space.

20 MS. DIYORIO: I'd like to talk about that one.

21 MR. PFOHL: Russell County Public Library,
22 Homemaker Community Library Technology Center requesting \$65,000 to
23 expand that facility to add a new computer facility.

24 The Center at the Virginia Higher Ed Center for the DAVIS
25 Project, which is an acronym for Digital Audio-Visual Instructional Support,

1 requesting just \$190,000 to add an audio visual program.

2 SENATOR RUFF: Pull that one.

3 MR. PFOHL: The Southwest Virginia Education
4 and Training Network, the RALI Project for just under \$820,000 is a project
5 that was submitted to this grant cycle last year in the name of Wise County
6 Public Schools, and it was tabled and resubmitted in the name of the
7 Southwest Education and Training Network, and that's an organization the
8 Commission has previously supported, and that was to purchase additional
9 computer equipment and technology in several school districts across
10 Southwest.

11 The Town of Pennington Gap supporting the Lee Theater
12 Learning Center, and they've been supported in Southwest Economic
13 Development on three occasions, and that involves renovation of a historic
14 theater in downtown Pennington Gap. That's a continuous renovation in that
15 building for the performing arts as well as a distance education center in
16 partnership with the community colleges.

17 The Town of Saltville is another project that was tabled last
18 year in this cycle for the Saltville Regional Dental Training Facility, and
19 that's a request of \$255,330, and that was to renovate a former hospital in
20 Saltville to create a dental clinic that will provide a clinical training
21 experience for dental hygienists coming out of programs in community
22 colleges, as well as training opportunities for VCU dental students.

23 The UVA College at Wise Foundation for the VOIP System
24 Implementation and Educational Initiative, requesting just under \$800,000 to
25 upgrade phone systems across the entire UVA Wise campus to a digital

1 voice-over Internet system.

2 The Virginia Council on Economic Education.

3 MR. DAY: Pull that one out.

4 MR. PFOHL: Highlands Community College for
5 hospitality and tourism program, requesting \$95,000 to employ a program
6 coordinator to promote that program and try to boost enrollment. The
7 program has been available for a year or two, but the enrollment has been
8 insufficient to offer classes, and they are requesting assistance with outreach
9 and marketing.

10 Highlands Community College for VHCC Welding Lab,
11 requesting \$257,872, and we've requested information on a needs assessment
12 and how this could be coordinated with some other facilities in the area. A
13 couple of years ago one of the committees supported a robotic welding lab at
14 the Smyth County Technical Center. That information was not available for
15 the community college.

16 Virginia Intermont you've heard about.

17 Virginia First is the robotics and --

18 SENATOR PUCKETT: Pull that one.

19 MR. PFOHL: Next is Wise Workforce
20 Development Center for the Workforce Youth Build Program, requesting
21 just under \$200,000, and this program has been operated for a few years, and
22 that federal grant expired this month. They're proposing putting control of
23 the operation of that program under the aegis of the Wise Workforce Center.

24 Wytheville Community College. The next is the community
25 college, which is the balance that was sent over from Southside Economic

1 Development.

2 SENATOR RUFF: Pull that one.

3 Now, we would accept the Staff recommendation on 1704,
4 Bland County Schools; 1702, Dan River Business; 1717, Dickenson County;
5 1700, Franklin County; 1715, Lonesome Pine.

6 MR. FIELDS: I'd like to pull that one out.

7 SENATOR RUFF: 1689, Mountain Empire; 1680,
8 Mountain Kids; 1681, Pennington Gap; 1718, Russell County.

9 MR. BANNER: I'd like to pull that one.

10 SENATOR RUFF: 1511, the Town of Saltville;
11 1684, Second Chance; 1324, the Southwest Network.

12 Is there a motion now to accept the Staff recommendation on
13 those? It's been moved and seconded. Any discussion? If not, all in favor
14 say aye? (Ayes.) Opposed? (No response.) (Unanimous.)

15 SENATOR PUCKETT: I'd like to just state for the
16 record that last week Delegate Joe Johnson came home from Charlottesville
17 and he's home now, and there was a good report that he had a successful
18 surgery. He'll be back very shortly. I know he'd want me to express his
19 appreciation for your prayers and thoughts during that time. We look
20 forward to having Joe back. He just needs to heal a little bit and he'll be
21 back. Thank you.

22 SENATOR RUFF: Britt, would you tell us what's
23 on the board there? I know what it should be, but can you tell us?

24 MS. NELSON: What's on the board, the ones in
25 bold underneath the title Pulled Out of the Block, represent the ones that

1 initially the Staff had recommended, and I put the Staff recommendations
2 back in so you can use that as a guideline as you work through them.

3 The ones underneath, not in bold, are those that had initially no
4 recommendation for an award from Staff. Currently, after going through the
5 ones you have approved, you have a current balance of \$2,488,803.

6 MR. PFOHL: The last block vote on the ones that
7 didn't get Staff recommendations, Halifax GED was not mentioned. So we
8 need to put it back in at the bottom section so that it is acted on.

9 SENATOR RUFF: Mr. Day has to leave a little bit
10 early, and he asked us to take on 1701, the third page. Is there somebody
11 who would like to speak to that?

12 MS. SARAH HOPKINS FINLEY: I'm Sarah
13 Hopkins Finley, Executive Director of the Virginia Council on Economic
14 Education. The Council is a non-profit entity and operates as a public-
15 private partnership. Our sole focus and mission is to have all of the students
16 graduate from high school with an understanding of basic economic
17 principles and decision-making skills they need to thrive in our changing
18 global economy. We're trying to achieve that mission through being a strong
19 resource promoting this education within the school division and then
20 providing our teachers with professional development opportunities and
21 creating lesson plans to really get across to their students. Our proposal to
22 you today is a request of a \$190,000 grant toward projects that would allow
23 us and help us to develop three separate ongoing sustainable partnerships.
24 Tazewell, that's one of the localities in the area that you're interest in. That
25 partnership would be between the Center for Economic Education that

1 would really be providing the professional development and synergies for
2 economic education, financial literacy for teachers, that would involve the
3 school divisions, and it would need to involve the business community. We
4 have foundations for some of this, but we really don't have the partnerships
5 in place to the degree that they're needed to be in place so all students are
6 really coming out of the schools with this background and knowledge. We
7 feel very strongly that economic education and financial literacy is really
8 important for a foundation and knowledge for having a strong economic and
9 prosperous area. There are a lot of reasons I could give you for that, and I'd
10 be glad to do so, but I know you don't want to hear all of that, and I hope
11 you know what they are, too. Most of the funding we have requested from
12 you goes for the professional development for teachers and to allow us to put
13 together strong ongoing partnerships that would continue on. So this is not
14 just a one-time event that's happening, but it's ongoing.

15 SENATOR RUFF: Would this proposal include
16 sending somebody to Washington?

17 MS. FINLEY: No, but it will make us much more
18 knowledgeable so the folks we do send will be good voters and know what
19 kind of questions they should be asking. Thank you.

20 MR. DAY: Mr. Chairman, I cannot think of an
21 area in all of education that we need more emphasis on at the moment than
22 some kind of sustained economic and financial education at all levels. What
23 caught my eye about this proposal is that since I've been on this Commission
24 this is the first time I've seen a proposal to do just that, to improve basic
25 economic education. I would make a motion that we fund this request and

1 take it out of the balance that's available, and I would deeply appreciate a
2 second and an affirmative vote.

3 SENATOR RUFF: Is there a second?

4 MS. DIYORIO: I'll second the motion.

5 SENATOR RUFF: What is the Staff's thought on
6 this proposal?

7 MR. PFOHL: The proposal is to convert some
8 folks that are currently based at university-affiliated economic education
9 center, and there are currently part-time employees, and increase their role
10 and their funding to make them full time positions as stated in the
11 application. That would allow those folks to offer additional workshops for
12 teachers in economic education programs. We saw, and plus the fact that
13 UVA Wise is one of those university-affiliated economic education centers,
14 and for reasons explained to us by Sara and her staff, they thought that they
15 were not able to adequately bring UVA Wise and the resources that exist
16 there, and we thought that would be a strengthening aspect of a proposal.
17 The big question is future year funding. If we fund it this year, are we
18 getting on that'll be pulling this on an annual basis, or is this something that
19 demonstrates sustainability for future TC funding, and we were concerned
20 about that. The issue of financial literacy directed at K through 12 students,
21 which your Committee has told us K through 12 educational issues are not a
22 priority for this Committee and not a funding priority. I've got to come up
23 with a better way to say that. While that has merit, they're not the highest
24 priority for funding from this Committee. Issues regarding sustainability,
25 objectives and so forth and the ability to serve the Southwest Virginia area.

1 MS. FINLEY: Our request to you is to provide
2 money to jump-start it in three of these areas in order to develop a
3 sustainable model to enable us to continue on. We would like nothing better
4 than to be having such a program in every single jurisdiction that you all
5 have. It looks easy on paper, but it's not easy. If we're successful in these
6 three areas, which we feel like we can be with an infusion of money up
7 front, we'd definitely want to come back and do it in the other localities that
8 are not listed here. We have to be realistic about what we can actually
9 accomplish.

10 SENATOR RUFF: Come back to this Committee?

11 MS. FINLEY: We would not come back to this
12 Committee in terms of requesting additional funding for the partnerships that
13 we're trying to, the ongoing partnerships we're trying to develop for the three
14 that we have set out in the proposal to you. One of the complaints, or one of
15 the comments of the localities we have listed, do not cover every single
16 locality that you all are interested in. I'm saying to you as a practical matter,
17 we can't bite off every single locality initially. If you want us to bite off the
18 remainder of them later on, we'd love to come back to do that. I don't want
19 to promise something that we can't make happen.

20 SENATOR RUFF: How did you say you were
21 going to fund this second year and third and fourth year?

22 MS. FINLEY: The purpose of these funds is to
23 help us jump-start an initiative with respect to parts of which are in place,
24 with respect to partnerships in the business community from the school
25 division. With support from the business community within the areas they

1 serve, that'll provide ongoing funding throughout. It's our intent to make
2 these work, and we know we can make these much more to be able to get
3 these partnerships in place if we have an infusion of dollars up front that
4 would allow us to lay that groundwork. It's not our intent to come back to
5 you in the second year to ask for any additional infusion with respect to
6 these three partnerships. Without our focus with these partnerships or
7 without our initiative and our energy, yes, there might be little bits and
8 pieces that would be happening within the schools that are in this area, but
9 would not be at the level and type of economic education and financial
10 literacy that really needs to happen in each grade K through 12 for our
11 students to leave with some economic financial literacy.

12 MR. MAYHEW: Can you tell us the mechanism
13 whereby you're going to put this literacy into the school system? Are you
14 going to go in and work with the classes? How is the school going to
15 accommodate what you're trying to do for them?

16 MS. FINLEY: Within our standards of learning
17 now there is some economics embedded in each grade. We have business
18 courses, for instance. As a practical matter, and supposedly on paper, it's
19 within the curriculum of the school division now, but it doesn't always get
20 taught if the teacher doesn't have the understanding in that content and
21 comfort level of creative lesson plans. One teacher said, even though I had a
22 year in college on economics, and one said, we all had economics
23 professors, and teachers who might have come through college and had that
24 professor, they don't have the, they're supposed to be teaching it in the
25 classroom, but often it's not taught because they don't have the background

1 to understand it.

2 MR. MAYHEW: How are you going to
3 implement that change to make they system better? Are you going to give
4 them better materials to teach from, or how are you going to teach the
5 teacher to teach it?

6 MS. FINLEY: Teach the teacher how to teach it,
7 and also giving them creative lesson plans that they can use in their class.
8 Kindergarten classes, third grade class, government class, history class, there
9 are some economics and financial literacy that is supposed to be infused in
10 that, but it's not happening.

11 MR. REYNOLDS: Are you going to train the
12 teachers K through 12, the whole staff?

13 MS. FINLEY: Yes. That's why it needs to be
14 ongoing. We do a lot of workshops now around the state, but where we
15 have a close working relationship with the school division and funding to
16 sustain it, then it happens every year in every grade the way it should. It has
17 to be ongoing and sustainable. We don't want a workshop here and a
18 workshop there. Sometimes it's a workshop that's a couple of hours long or
19 a day long, or whatever it takes for the teachers in that particular grade level.

20 SENATOR RUFF: Any further questions? I don't
21 know if it was intended or not to get this out before we get the money on the
22 table, but --

23 MR. DAY: That did not occur to me.

24 SENATOR RUFF: I'm just going to say I'm going
25 to call the question on this as a temporary vote, because everybody will try

1 to do the same thing.

2 DELEGATE MARSHALL: If we have the
3 money.

4 SENATOR RUFF: It means we may have to come
5 back the second time.

6 MR. MAYHEW: Along that line, it looks like to
7 me we ran into this problem probably a year ago, and we had a little money
8 left after the basic approval, and then we had X number of additional
9 projects that different people would like to see some funding made. As you
10 work down the line you can see the money is going to run out before
11 everyone has a chance to get their project voted on. It came down to what
12 position you were on the chart. I think we need a better system than that. I
13 think it would be good for the Staff to spend some time thinking about how
14 we could avoid coming to this dilemma. A possible solution might be not to
15 use or not to allocate Staff recommendations that use the entire amount and
16 save 25 percent of it. I don't know what the answer to this is, but we have to
17 realize that if you are near the top of the list and you have a good argument,
18 you'd have a better chance than when you get to the bottom, the answer is,
19 sorry, we're out of money. There ought to be some way to work around it.

20 SENATOR RUFF: If Mr. Day would agree to this,
21 that we'll keep the motion, keep it in the mix at this time, and when we get
22 down to the final decisions we can act.

23 MR. MAYHEW: Maybe if you had eight
24 additional projects and you figure out how much money was left and took a
25 percentage of that and each one, say one's \$100,000 and another one is

1 \$300,000, and you rated them according to that percentage and cut
2 everybody by the same amount.

3 SENATOR RUFF: If you're agreeable, Barnie,
4 and if the Committee is agreeable --

5 MR. DAY: Mr. Chairman, I'm certainly agreeable.
6 The only reason I identified the source of the money to begin with was
7 because I understood that to be your direction.

8 SENATOR RUFF: I understand that and
9 appreciate that, but we need to look at all these before we make a
10 commitment. So if Mr. Day's motion, or if it's agreeable to make a motion to
11 leave this in the mix and you're agreeable because of your second to that,
12 that's what the vote will be, leave it in the mix. Any further discussion? All
13 in favor say aye? (Ayes.) All opposed? (No response.) (Unanimous.)
14 That's in the mix, then.

15 MR. PFOHL: The next step is proposals that had a
16 positive Staff recommendation but not yet been acted on. And we'll start
17 with the Crater Skill Streams for Success.

18 SENATOR RUFF: There's some question, that
19 one should not be up there, and I would accept a motion to --

20 MR. MOODY: I'll make that motion, Mr.
21 Chairman.

22 SENATOR RUFF: For that to be approved. It's
23 been moved and seconded.

24 MR. FIELDS: Wait a minute. What are we doing
25 here?

1 SENATOR RUFF: This one was taken out of the
2 block, and I was not aware that I took it out, and I did not intend to. So the
3 motion is to approve, and there is a second. Does anyone have any
4 objections to this?

5 MR. FIELDS: It was okayed by the Staff?

6 SENATOR RUFF: Yes. All in favor say aye?
7 (Ayes.) Opposed? (No response.) (Unanimous.) What's next?

8 MR. PFOHL: Mount Rogers Regional Health Ed,
9 and our recommendation is for funding of a portion of the request, GE
10 Testing and Scholarships, and we suggest you exclude funding for
11 marketing, which is \$108,000, and that was pulled out of the block for
12 discussion.

13 SENATOR RUFF: Any comments?

14 MS. SUSAN SEYMORE: I'm Susan Seymore,
15 Regional Program Manager for the Mount Rogers Region. I have with me
16 today Linda Allen, who represents Area 2, and Rebecca Scott, Area 1. There
17 are 15 jurisdictions in Southwest Virginia. We do the Adult Ed piece for the
18 public school system. There are 92,000 people in our area who do not have
19 a high school diploma, over the age of 25, and this represents 32 percent of
20 the population. These statistics represent a huge barrier to any economic
21 growth of the workforce and for workforce development. In light of that, we
22 want to say we very much appreciate the money that has been recommended
23 for scholarships and for testing. The fact that we have not been given any
24 marketing money really ties our hands. It's important we get the word out to
25 our population about where the classes are located and when the classes

1 meet and that sort of thing. Since we started receiving tobacco money we've
2 tested over 7,000 people, and that's just a testament to the positive impact
3 this money has made in Southwest Virginia.

4 SENATOR RUFF: How do you spend this money,
5 how do you propose spending this money, and what for?

6 MS. SEYMORE: The marketing money we
7 requested, we would use that money as seed money, and we would purchase
8 radio and TV ads, billboards, and those companies come back and give us
9 free advertising. One company has promised to give us four to one for our
10 TV ads. Another company has promised to give us a free billboard for every
11 two that we purchase. Other companies will do the same, based on
12 experience, and we use this as seed money to get the word out with all the
13 media people.

14 The census is coming up in 2010, and when employers look at
15 these numbers they don't make a phone call, and they go somewhere else.
16 We have fourteen months to address this issue to try to bring these statistics
17 down before the new census figures come out. We'd like to have some
18 additional money to help with this.

19 SENATOR PUCKETT: I notice from the Staff
20 recommendation that there's really, as far as the details of marketing, I see
21 what you're talking about, but just from my perspective, we've been doing
22 this for at least five years or maybe longer. In the Southwest we know what
23 they do with the money from the standpoint of the advertisement piece. It
24 may be assumed we would know that, and the race to GED and the people
25 you described already who not only give an equal amount but more than an

1 equal amount to help advertise that. One of the most successful things we've
2 had, Bristol Motor Speedway, has been one of the most successful partners
3 in the promotion of GED, letting people know that it's out there, they
4 provide free race tickets to people. They may take a little money and make
5 it go a long way with all the partners, particularly in the promotion aspect of
6 it.

7 MR. REYNOLDS: Susan, has participation
8 increased in the GED each year? I know they've done a great job.

9 SENATOR RUFF: You raised an issue that the
10 best way is the Speedway, and they're doing it for free. Why do you use
11 billboards?

12 SENATOR PUCKETT: You heard about the
13 billboard. The Speedway is the one that started this issue, and they're the
14 ones who said we want to be involved in the GED program because we feel
15 like that's the way for us to give back to the community. When the
16 Speedway got involved, it's not just ours, but Martinsville and Richmond.
17 What we saw is people like outdoor advertising, 3-for-1 or 2-for-1
18 billboards; we've seen the same issue with the Food City people who have
19 been involved in the process. They're not giving it to us free in the sense
20 that we're not purchasing something with the promotional piece of it. I hope
21 I didn't indicate that. For example, the Speedway gives us, at their facility or
22 their boxes, and they provide for that. It's not all free. What we use is a
23 small piece to really get the maximum benefit from it, the advertising part,
24 and let people know about it.

25 MR. BANNER: I might add that the biggest

1 problem with these folks who don't have a high school diploma, and
2 oftentimes because getting the word out there are some classes available and
3 contacts they can make. Back in the dark ages when I was involved in GED
4 we had to rely on word of mouth to get it done. I think the numbers who are
5 moving through these GED programs right now indicate we are being
6 successful in getting the people we need to reach. I think this advertising
7 piece, or this money, is essential.

8 SENATOR RUFF: You said the best way is the
9 word of mouth program. The program has been going on four or five years.
10 Isn't that what's bringing the numbers in rather than the billboards?

11 NR. BANNER: No, I don't think so. You might
12 have misunderstood me. I said in the dark ages when I was involved that
13 was the only way we had to get the word out, by word of mouth, because
14 there was no money for advertising. It was just through people who went in
15 the program. Once we started the advertising campaign, then the numbers
16 really jumped, and it began to reach more and more people.

17 SENATOR RUFF: My point is that the first
18 couple of years, as one friend told another friend, word of mouth has always
19 been the best way.

20 MR. BANNER: Touché.

21 MS. SEYMORE: We're requesting \$30,000.

22 MR. BANNER: Above the \$90,000.

23 MS. SEYMORE: That's for the 15 jurisdictions.

24 MR. BANNER: That would be \$120,000 total. I'd
25 make that motion.

1 SENATOR RUFF: You're making a motion to
2 approve \$120,000 in the mix.

3 MR. BANNER: Yes.

4 SENATOR RUFF: That's Number 1711. All in
5 favor say aye? (Ayes.) Opposed? (No response.) (Unanimous.)

6 Tim, I know where the arrow was before, but I'm going to
7 object to 1705. It should still be in the mix because I objected to it, 1705.

8 MR. PFOHL: Mountain Empire Community
9 College is the next one that got a Staff recommendation, Tobacco Families
10 and AIMS Higher Scholarships. We're recommending \$200,000, which
11 would fully fund the entire high school class of '09 as well as provide some
12 gap funding for scholarships through the next education cycle.

13 MS. DONNA STANLEY: I'm Donna Stanley
14 from Mountain Empire Community College. Let me first say how much we
15 appreciate the Tobacco Commission's support for a number of years for both
16 our AIMS Higher Education Program and for Tobacco Commission
17 scholarships. We're delighted with the recommendation of the \$200,000,
18 and we'll work with the budget that we're provided. We are worried about
19 being able to continue serving new students coming in, because we are
20 unable to anticipate growth and also anticipate tuition increases. We've
21 talked about four-year scholarship programs and the fact that tuition is going
22 up, and the same things is happening in community colleges. It's kind of
23 hard to track the progress over time. In the AIMS Higher Program it's
24 generally been 60 to 70 students, and we have 120 who applied this year.
25 We're working with students in the eighth grade right now and trying to get

1 them in the pipeline and the growth that we anticipate will occur, and when
2 those students are able to UVA Wise, we think we're going to have a great
3 increase in students entering the program. We worry about being put in the
4 position of having put out there for those families planning for college the
5 potential for a guarantee for tuition and fees and not having the dollars in
6 hand to deliver on that promise, and that makes all of us very nervous. What
7 we don't want to be in a position of having to do is to set early deadlines for
8 applications and we close the door early and keep people out. We need to be
9 in the business of keeping the door open, and we want to serve as many as
10 we possibly can. I understand there's not enough money there to serve
11 everybody who wants to be served, but I am making a plea to increase that
12 request beyond the \$200,000 being now recommended.

13 I'll be happy to answer any questions you might have.

14 We also had a dual accrediting arrangement in our application
15 with Southwest Virginia Community College and Virginia Highlands
16 Community College. We think that is a good and important thing for the
17 Commission to look at in the future, but for purposes of this application
18 that's off the table, and we're not making any kind of pitch for any funding
19 for that activity now. We'll have to provide the numbers in a way that's
20 easier to digest and understand before we ever come back to the Commission
21 with that request.

22 MR. FIELDS: I think this unobligated balance, I
23 wish you would address that.

24 MS. STANLEY: Our college has taken the
25 approach trying to manage the AIMS Higher Education Program funding

1 students and cohorts. We don't know that when you start a cohort through if
2 we make a guarantee to get them through 72 credit hours of course work,
3 and you don't know how many hours of that course work they're going to
4 definitely take advantage of. You don't want to be out on a limb and offer
5 somebody something which you won't be able to deliver on. We've been
6 doing basically the three-year grants and been satisfied with every cohort
7 that enters and that we have sufficient funds to get them through all 72
8 hours. Last time I was a little hard of hearing about the unobligated, but I've
9 gotten the message loud and clear; that's something we need to work on, and
10 everyone in our college is very focused on that, and I don't think you'll see
11 those balances in the future. We understand if we don't fund the money as
12 we receive it, we stand a chance of other projects moving faster and getting
13 in line with their money. I don't think you'll see that as a continuing issue at
14 our college. We've been doing that in order to manage the money and not be
15 in a position of not having the cash to meet our needs that we obligated to
16 students and to satisfy them.

17 SENATOR RUFF: That raises a concern that I
18 have. We created a number of silos, and we're sitting on some level of
19 money and some other community college at some level. Maybe the Staff
20 ought to look at the possibility of having one silo and everybody tap into it.

21 MS. STANLEY: I was just going to say the
22 scholarship program has been a very important program in the Southwest
23 colleges. Priority-wise that's something we'd like to see continue at a level
24 we started in the past and we'd like to carry forward.

25 DELEGATE MARSHALL: Mr. Chairman,

1 following your concern, and this is my first time here, but that's something,
2 should Special Projects take a look at this? One of the things that kind of
3 worries me about that, and that's the fact that we have unspent money that
4 should be spent. Maybe we should look into that.

5 MR. NOYES: That is a matter that will have to
6 come before the Strategic Planning Committee, and there have been some
7 Staff discussions and a single rule of funds that the community colleges or
8 others would access funds as they're actually required be drawn and show
9 outcomes listed. There are a few exceptions one might want to take.

10 MR. PFOHL: Southwest Community College for
11 Tobacco AIMS and Scholarships. Our Staff recommendation is \$400,000 to
12 fund general financial aid and tobacco scholarships and AIMS, excluding
13 dual enrollment. That should carry them through the next grant cycle.

14 MR. REYNOLDS: Mr. Chairman, I've got a
15 question on the Mountain Empire one. If we pass it by, does that mean they
16 won't get any increase in funding?

17 SENATOR RUFF: Unless there is a difference, it
18 goes with the Staff recommendation.

19 MR. REYNOLDS: Ms. Stanley said she was
20 withdrawing some of the request. Is that right?

21 SENATOR RUFF: No, she wanted more. We'll
22 have to come back to these. If you're in doubt, you might want to come back
23 after.

24 MR. TOMLINSON: I'm Bob Tomlinson, Vice
25 President of Instruction, Southwest Virginia Community College. The sum

1 for the scholarships to be maintained at \$400,000, which it has been in the
2 past. I also appreciate Tim pointing out that when you give the scholarship
3 money we spend, and we will spend our scholarship money, but we would
4 like to sustain that if we could, at \$400,000.

5 MR. BANNER: Mr. Chairman, I'd make a motion
6 that we do that for Southwest at \$400,000. I guess we'll come back to it
7 later.

8 MR. REYNOLDS: I'll second it.

9 SENATOR RUFF: All in favor, aye? (Ayes.)
10 Opposed? (No response.) That's at \$400,000, Tim. I'll also note that two
11 other numbers in that equation, Southwest Community College has received
12 more than any other community college, and they also have a request for
13 construction. You might have to eat into that if it gets low.

14 Let's move forward.

15 MR. PFOHL: Next on our list is the Virginia
16 Early Childhood Foundation, Pre-Kindergarten School of Readiness, an
17 organization that has existed for the past few years and that received General
18 Assembly funding. They're requesting money to go to every planning
19 district in the tobacco region footprint and match us dollar-for-dollar to
20 initiate strategic planning for pre-school readiness for students in each one of
21 those planning districts and initiate funding to implement program
22 improvements.

23 MR. MAYHEW: What about in the succeeding
24 years?

25 MR. PFOHL: The concept, as it has been

1 presented to us, is that ultimately the Commission could invest up to \$3
2 million in carrying each one of these planning districts through the planning
3 stage with the Foundation and the program implementation stages.

4 MR. BANNER: Mr. Chairman, in the interest of
5 time, I would like a little more explanation about this program.

6 MR. DAVENPORT: I'm Ben Davenport, and I'm
7 a businessman from Chatham, and I have with me Scott Hippert, who heads
8 up the Virginia Early Childhood Foundation. We don't have many
9 opportunities to really set ourselves apart as an area, and the Tobacco
10 Commission did help put in the fiber optic network. I'm on the Board of
11 MBC over on Southside, working on that and working with other areas in
12 Southwest. The dilemma we have is that we have a population that has a lot
13 of individuals who are having children who don't properly educate them in
14 the early years of life. What I've become convinced of is that from birth to
15 age five you have a chance to have a tremendous impact on the IQ of
16 children. I'm a businessman, and I employ over 300 people, and I want a
17 good workforce. I'm also involved in economic development for our region,
18 and we're having a hard time finding people who are qualified to learn these
19 new jobs. The new jobs are much more technical than the ones in the past.
20 If we're going to set ourselves apart for the future, what we have to do is
21 figure out a way to deal and allocate our children as our raw materials. The
22 better that we're able to develop those raw materials, and when they get to
23 school I think the biggest reason why people drop out of school, it's not so
24 much peer pressure, but their minds are not developed to the point that they
25 can deal with advanced math and other parts of the curriculum. This has

1 been going on now for about 20 years in some areas of the country, and
2 they're seeing that there are areas that are attractive to industry and
3 companies who require intelligent people in their workforce and to work in
4 advanced technology jobs. We've got an opportunity, just like we did with
5 the fiber, and we've got an opportunity to set ourselves apart as a region in
6 Southside and Southwest and address this early childhood development.
7 Most of us in here are not going to see the real results of this, because you're
8 talking about long-term, but I think this will pay enormous dividends to the
9 redevelopment of our economies, and it will be a major attraction to
10 companies who are saying we are futuristic in the way in which we are
11 addressing the needs of our population.

12 MR. MAYHEW: Tell us a little bit about the
13 matching of state funds, and what impact will the cutback on the state budget
14 have on this program?

15 MR. HIPPERT: Right now we haven't heard
16 anything about the budget cuts affecting our appropriation. At this point
17 we're keeping our fingers crossed, and we may get a small cut, but our Board
18 knows that if they do, they'll go out and raise private dollars. The funds that
19 the Foundation has are a combination appropriated by the General
20 Assembly, and there's some private funding, mostly corporate and
21 foundation money, that members of our Board have gone out and raised
22 from time to time. They have authorized me to tell you all, and we'd like
23 you to support this initiative. We've tried to have a dollar-for-dollar match
24 from the Tobacco Commission.

25 MR. MAYHEW: In going forward --

1 MR. HIPPERT: Yes.

2 MR. NOYES: Two quick points. In subsequent
3 phases we would expect, as we did earlier today from the Southern Virginia
4 Higher Education people who receive a multi-year, they still have to come in
5 and apply and report on where the project is. We then have to decide
6 whether there'll be a second phase. The first phase is 18 months. There is a
7 letter that we were unable to put in the packet because it arrived late, and it
8 speaks to the issue of the economics of doing this type of project. If my
9 memory serves me correctly, that letter is very specific that this has been
10 operational for some period of time. That the return on investment for
11 things like less remedial education, once there is entry into the primary and
12 secondary schools, is on the order of 14 to 1, \$14 return on investment in the
13 local school districts for every one dollar they spend on the early childhood
14 piece.

15 MR. MAYHEW: This is the kind of information
16 we need more of.

17 MR. NOYES: The letter arrived late, and we were
18 unable to get it in the packet, but I have a copy with me.

19 MR. MAYHEW: Mr. Chairman, would this also
20 fit into what we have done, what we have traditionally done, or does this fit
21 into our boundaries on how we spend money? Are we safe from that point?

22 SENATOR RUFF: Safe is a good question, but it's
23 outside of what we've normally done.

24 DELEGATE MARSHALL: Mr. Chairman, we've
25 heard this in the General Assembly, and I think the idea is a very valid one.

1 This is my first meeting with the Education Committee so I got Staff to send
2 me a copy of program objectives of the Education Committee. I'm not quite
3 sure if it fits in the program objectives. My suggestion is, just like we sent
4 the private colleges to the Strategic Planning, should we not look at sending
5 this to Strategic Planning and see if the Strategic Planning Committee could
6 see if this fits within the scope of what we want to do?

7 MS. DIYORIO: Does the request for state funds
8 provide grant funds to the local leadership council?

9 MR. HIPPERT: Within each planning district, we
10 already identified in most planning districts, organizations within those
11 regions that will lead this initiative. We're currently working with Virginia
12 Tech to bring together a leadership council. We've been working with the
13 Danville Regional Foundation, United Way, in that region. We've identified
14 organizations, places like Sussex, et cetera. In each one of these areas I
15 think it's mandatory that during the first year while they're trying to be
16 pulled together, is put together a leadership council, which is typically led by
17 a solid institution of the community, to bring together the business
18 community and the K through 12 education, higher education, social
19 services, parents, healthcare, then bring all these groups together to focus
20 their efforts on young children so that throughout the entire community all
21 these groups can work together and are well-focused and they're using their
22 resources more effectively to improve the school readiness of young
23 children.

24 Currently, when 90 percent of brain growth takes place within
25 the first five years, we're spending four percent of our education dollars on

1 that. This is a tremendous and good investment in the future.

2 MR. MAYHEW: More specifically, what does the
3 \$900,000 pay for? Is it paying people for the extra time and travel to
4 meeting places? Where do these dollars go?

5 MR. HIPPERT: In this first 18-month period most
6 of the dollars go to doing an assessment of the school readiness needs of the
7 community, working with colleges and universities, and some money will go
8 into that.

9 Number two, building the leadership council and getting
10 everybody on board.

11 Number three, putting together a strategic plan that will
12 ultimately become a grant to us for a large sum of money down the road,
13 and, of course, getting a staff to do that.

14 In each planning district they're going to have \$60 to \$70
15 thousand in that 18-month time period to work with. For each planning
16 district it's not a lot of money, but overall it's a lot of money. There are a
17 couple of planning districts where we have begun and we've already got it
18 going, and we've worked with local groups in that planning process. We
19 would be sharing those amounts on a 50/50 basis.

20 SENATOR PUCKETT: Have you established
21 which planning districts are targeted?

22 MR. HIPPERT: We've targeted every planning
23 district within the Tobacco Commission area. Most of those we've already
24 got somebody working with the group or identified someone or some
25 organization that would be applying for a grant to us this November.

1 SENATOR PUCKETT: I didn't hear anything
2 west of the New River.

3 MR. HIPPERT: Lenowisco is in there. All the
4 planning districts are in there.

5 SENATOR PUCKETT: I understand that. I didn't
6 hear about any council connections there, and I heard Virginia Tech; I don't
7 know who else is involved.

8 MR. DAVENPORT: Mount Rogers, People, Inc.;
9 the Lenowisco Rural Area Development Association; New River Valley;
10 Virginia Tech; Sussex; the Improvement Association; the Cameron
11 Foundation and Cumberland Plateau.

12 MR. HIPPERT: Certainly in every school
13 planning district we have not identified someone, but we intend to. What
14 this grant calls for is that prior to next May we'll identify an organization
15 that meets all of our criteria that has the capability of carrying out these
16 initiatives, and each one of these planning processes will begin no later than
17 May.

18 SENATOR PUCKETT: How does this proposal
19 supplement or work with what the Governor has proposed with his Pre-K
20 program?

21 MR. HIPPERT: This is totally separate from the
22 Governor's Pre-Kindergarten Initiative.

23 SENATOR PUCKETT: Are you doing something
24 entirely different?

25 MR. HIPPERT: This is really a community

1 planning process to make sure that the kids are ready. None of these dollars
2 go into the expanded pre-school initiative that was approved this past year,
3 not a dime.

4 MR. NOYES: Senator, I met with Secretary
5 Morris, and he was satisfied that we don't have duplication.

6 MR. REYNOLDS: Let me say that in Washington
7 County we have a pre-school program already in place that serves our
8 county. As I understand it, it's linked to certain income of families. The
9 school system has indicated they have a long waiting list of people who
10 would like to participate in this program, and funds are not available or
11 space is not available for them to participate. We do have an ongoing
12 program for certain income level families. Is this duplication?

13 MR. HIPPERT: What we're trying to do is that, in
14 a community where there is a program such as that, certainly we want them
15 to be involved in part of the collaboration or coalition, to have input into it.
16 There are a lot of kids slipping through the cracks right now. So what we
17 want to do is in early learning and good health care and good mental health
18 services and in every environment for a child, whether that be where the
19 parents take the kids for a day or so or whether it's in the home of the parent,
20 it involves making sure that kids are school ready, no matter where they are,
21 and providing an initiative for parents to become better parents.

22 Part of the problem we have is that since the '60's we have some
23 kindergarten teachers who have been at this for a long time. Back in the
24 '60's kids would come to kindergarten ready to behave and ready to learn,
25 and now they have kids who don't behave or disrupt the class, so kids who

1 are ready to learn can't learn because of that. Part of the problem is that both
2 parents are working; kids are put in for something like baby-sitting. We
3 have to create an environment where their brains are stimulated, where they
4 learn, and where employers are focused on the needs of workers, and we
5 have a comprehensive plan to address school readiness needs of every single
6 child.

7 SENATOR RUFF: At what point does this
8 program pick these kids up?

9 MR. HIPPERT: At birth. In the Martinsville area
10 they're working with teenage mothers, prenatal, to give the parents training;
11 so it's prenatal in some cases.

12 MR. DAVENPORT: We think there are a lot of
13 people out there who if you gave them the right kind of, especially a lot of
14 mothers, gave them the right kind of tools to work with, they'd want this for
15 their children. When we plant seeds on a farm, if we don't fertilize them and
16 nurture them, then the first thing that happens when they come up, the weeds
17 get them, and you don't get anything. I'm looking at it from just a business
18 standpoint, not entirely, but I'd like to see us have a lot of people coming up
19 who are ready to go into our workforce and therefore we're better able to
20 develop our area and our economy.

21 MR. HIPPERT: Last weekend I was at a
22 conference in Boston with 5,000 pediatricians, and I gave a speech, and after
23 the speech a pediatrician from Denmark cornered me in the hallway, and he
24 said, what is wrong with you Americans. Why are you not doing it, because
25 we've been doing it since the fifties. He said, our workforce shows it, while

1 yours does not. Why aren't you doing this? I didn't have an answer for him,
2 except in Virginia we're starting to do it, and we're trying to spread this
3 initiative as far and as wide as we can. This area of Virginia we haven't
4 really been able to invest in, and we want to do it badly, so the children of
5 this region have every opportunity, just like in Northern Virginia and
6 Richmond, or for Charlottesville, and that's our goal.

7 MR. MAYHEW: I taught school for 31 years, and
8 I can appreciate that a lot of kids come through school and get to a certain
9 point and get so far behind they just drop out. I can appreciate a lot of what
10 has been said here. I appreciate the fact that we have a very diligent Staff
11 who have looked through this thing pretty closely. From a personal
12 standpoint, I feel comfortable with this program as it stands.

13 DELEGATE MARSHALL: Mr. Chairman, I
14 appreciate everything that's been said, but if we have about 10 percent of our
15 budget for this one project, and not only looking at it from that standpoint,
16 but if you look in the recommendation column from our Staff and the
17 amount of money, but I think maybe we should send this, and my motion is
18 that we refer this to the Strategic Planning Committee for their review.

19 SENATOR RUFF: Does that motion, you said
20 you used data, let me put it this way, if this is taken care of this winter,
21 you're in good shape?

22 MR. HIPPERT: We have an RFP process going
23 on right now, and we probably have at least a half-dozen applications from
24 grants from communities within the region that are due to be reviewed and
25 hopefully approved before the end of this calendar year. We hope to get

1 those approved and get the ball rolling before January 1. The areas where
2 we don't have grant applicants at this point, we'll be working with them to
3 identify them and get them off the ground by May.

4 SENATOR RUFF: Delegate Marshall, does your
5 motion, does that reserve the \$900,000 not to be spent?

6 DELEGATE MARSHALL: No, my motion is to
7 move it to the Strategic Planning Committee.

8 MR. BANNER: I'll second it.

9 SENATOR RUFF: Your motion is to move it to
10 the Strategic Planning Committee with no funds?

11 MR. BANNER: That's my second.

12 SENATOR RUFF: Any further discussion?

13 MR. MAYHEW: Mr. Chairman, I think we ought
14 to leave it as it is.

15 SENATOR RUFF: Any further discussion?

16 MR. FIELDS: What are we voting on?

17 SENATOR RUFF: It's Delegate Marshall's motion
18 to refer this to the Strategic Planning Committee. All in favor say aye?
19 (Ayes.) All opposed say no? (Nos.) Call the roll.

20 MR. NOYES: Mr. Banner?

21 MR. BANNER: Aye.

22 MR. NOYES: Mr. Day is not here.

23 MR. NOYES: Ms. DiYorio

24 MS. DYORIO: Yes.

25 MR. NOYES: Mr. Fields?

1 MR. FIELDS: Aye.
2 MR. NOYES: Delegate Marshall?
3 DELEGATE MARSHALL: Aye.
4 MR. NOYES: Mr. Mayhew?
5 MR. MAYHEW: No.
6 MR. NOYES: Mr. Moody?
7 MR. MOODY: No.
8 MR. NOYES: Mr. Reynolds?
9 MR. REYNOLDS: Aye.
10 MR. NOYES: Mr. Stith?
11 MR. STITH: No.
12 MR. NOYES: Delegate Wright?
13 DELEGATE WRIGHT: No.
14 MR. NOYES: Senator Puckett?
15 SENATOR PUCKETT: Aye.
16 MR. NOYES: Senator Ruff?
17 SENATOR RUFF: No.
18 MR. NOYES: Delegate Marshall's motion carries.
19 MR. PFOHL: Let's go back to the Danville
20 Community College. There are a number of programs that the Community
21 College has applied for. Staff is suggesting that there be a reduction of the
22 request, a request for a digital printing press; that's to train a relatively small
23 number of students in the use of digital printing equipment. Funding is
24 requested for a 20-month period to support financial assistance with
25 scholarships for tobacco farmers' family members and some tutoring funds

1 to the tune of about \$50,000, two full-time nursing faculty positions for an
2 RN program, purchase of equipment, a milling machine for the precision
3 milling technology program, a computerized digital printing press for the
4 graphic imaging technology and printing lab, and purchase of a particular
5 saw for participants in the Center for Advancement of Wood Products
6 Technology.

7 We're supportive of the proposal, except for the digital printing
8 press, which is \$39,000 and used by 10 to 15 students per year.

9 SENATOR RUFF: At this time we need to discuss
10 the other requests at the same time.

11 MR. RAMSEY: Thank you, Mr. Chairman and
12 members of the Committee. I appreciate the opportunity to be here, and we
13 were here a little earlier with the Southside Economic Development
14 Committee, and I'll come to that in a moment.

15 We appreciate the Staff recommendation, and we appreciate all
16 the funding you have provided in the past. Let me quickly summarize,
17 although most of this is self-explanatory. The \$100,000 scholarships is
18 something we've been doing for years, since this started. As my good friend
19 Donna mentioned, Staff has trained us properly now, and we're spending the
20 scholarship money semester-by-semester. I think you have a balance right
21 now of what we've spent thus far.

22 We requested \$50,000 for tutoring. We've been very grateful
23 over the years for your support. Over 70 percent of our students are first-
24 generation college. Over the last ten years or so, with all of the students, it's
25 actually gone up to 81 percent. I know the other community colleges here

1 can relate to that. This kind of student needs a lot of support, and we offer
2 free tutoring to our students. One of our goals is to get our completion rates
3 up, because it's important to these individuals to get a degree or a certificate
4 in going out and getting a job or going to a four-year college.

5 The precision equipment is pretty pricey, and that's an extensive
6 program, but we think it's worth it.

7 SENATOR RUFF: Two hundred eighty-one
8 thousand, which was referred from the other Committee, and you're talking
9 about 445 here, would give you a big chunk of the pie. If you had to cut one
10 of those suggestions down, which one of those suggestions would you cut
11 out? If you could get both proposals but at a smaller rate.

12 MR. RAMSEY: I don't want to create havoc with
13 the Staff, but I do have a proposal. I would respectfully ask that the
14 Committee would consider the following. We'll drop the 20,000 out of the
15 saw in this proposal right here. We've got about \$250,000 worth of
16 equipment which we're storing, which we talked about in the earlier
17 committee meeting. I think we've been able to address the 110,000 from the
18 discussion with the Economic Development Committee.

19 SENATOR RUFF: That's not in the equation.

20 MR. RAMSEY: What you're discussing is
21 contingent upon our being able to address that money. We feel like we've
22 done this. So, I would like to propose to fund the project with an additional
23 150,000, adding the 415 and the 150. The 150 will enable us to do, some of
24 you didn't hear what I presented at the previous meeting. It involves training
25 technicians for about 1500 jobs that have been attracted to our region. This

1 is the workforce, and we've got to make sure we have a skilled workforce.
2 We have a program called the Advanced Manufacturing Technician
3 Program. Over 80 percent of the completers have completed since we
4 submitted the proposal. A month or so ago we secured a \$26,000 grant to
5 help us start the fourth program. These individuals are ready to go to work
6 in these new manufacturing operations. We'd like to be able to train at least
7 three more cohorts. With this money we think we'll have to cut back about
8 half, but with this additional money we think we can still do a lot of great
9 work and prepare people for jobs that are already in our region.

10 Also, I'd like to mention that we have endorsements from 10
11 industries for this Advanced Manufacturing training. That's in your packet.

12 SENATOR RUFF: It seems to me we funded
13 some of these types of proposals at the Higher Ed Center last year.

14 MR. RAMSEY: I'll take a minute to summarize
15 that. We've been working with the Higher Education Center for almost two
16 years now, and at least 18 months. Halifax County is in our service region.
17 ABB is one of those industries that endorsed our training program. We've
18 been working with the staff at the Higher Ed Center and all three school
19 divisions, Halifax, Pittsylvania, to develop a curriculum, at the public school
20 level it's called Wood Links, then get these young people ready for technical
21 training at the community college. Sometimes we have our programs
22 integrated.

23 This is a degree program. A degree would be awarded at
24 Danville Community College, and most of the credits would be awarded by
25 Danville Community College or Southside. The specialized training would

1 be done by one of the community colleges. We have collaborated with the
2 Higher Ed Center in the purchase of equipment. The equipment we
3 discussed in the previous committee meeting, which this Committee
4 approved, which is really the industrial type equipment, the equipment that's
5 going to be deployed at the Higher Ed Center in Halifax for what you might
6 call higher customized cabinetry and furniture. The point is they
7 complement each other. Why do we want a wood product lab near our
8 Advanced Technology Center? Eventually we want the wood products lab
9 to be a part of that Advanced Technology Center. We don't have the space
10 right now. We do have \$250,000 worth of equipment which is now ready to
11 be deployed, and that's the reason why we decided to present the proposal to
12 the Economic Development Committee, because of part of it being in a
13 building close by. We work very closely with the Southern Virginia
14 Education Center. We would expect to continue, as we get this project
15 going, to work even more closely. It should not be construed as duplicative
16 in any way.

17 MR. FIELDS: What is the bottom line?

18 MR. RAMSEY: Four hundred fifteen thousand,
19 five hundred sixty-five thousand, reduce part of the Goodyear training,
20 which is somewhat specialized. We think we can do this for 565,000.

21 DELEGATE MARSHALL: I'd make a motion to
22 accept.

23 SENATOR RUFF: Is there a second?

24 MR. MAYHEW: Second.

25 SENATOR RUFF: Further discussion?

1 MR. FIELDS: We're combining two motions.

2 SENATOR RUFF: Twelve on the board, and
3 number 19.

4 MR. FIELDS: We've approved the 12 or
5 recommended.

6 SENATOR RUFF: Four hundred ninety-nine
7 thousand, it's now four hundred fifteen thousand. Two hundred eighty-one
8 thousand went over from Southside Economic Development. They
9 volunteered to reduce that to 150. The motion is to have the two of them
10 together, 565,000.

11 MR. FIELDS: Would you show me where that
12 comes from?

13 MR. PFOHL: The Early Childhood Foundation
14 was sent over to the Strategic Planning Committee, without money, boosted
15 the balance available.

16 MR. RAMSEY: Just for clarification, we were
17 sensitive to the fact that you had a certain amount of money and we did not
18 want to ask for a quarter of the allocation, because we thought it had clear
19 economic development implications. We submitted part of this to the
20 Southside Economic Development Committee. We would certainly
21 appreciate your support.

22 MR. BANNER: I had a comment, Mr. Chairman,
23 but I'll just wait.

24 SENATOR RUFF: Any more discussion?

25 MR. FIELDS: How do you get from the original

1 request?

2 SENATOR RUFF: The question is on the second
3 one. Originally that was part of the request that went to the Southside
4 Economic Development, 100 and some thousand. That committee felt like,
5 since about two-thirds of that is training, that the training part belongs over
6 here, so they shifted that to this Committee. That figure is 281,000. The
7 Community College, in an effort to survive today, they used their pencil
8 sharpener and got that down to 150,000.

9 MR. RAMSEY: Which will be coming from local
10 sources.

11 SENATOR RUFF: Any further discussion? All
12 those in favor, say aye? (Ayes.) All opposed? (No.) That's in the mix of
13 415 and 150.

14 MR. PFOHL: Virginia Highlands Community
15 College requesting \$500,000 for Scholarships for Tobacco Families and
16 AIMS Higher Scholars and Dual Enrollment. Staff recommended \$250,000
17 to get them through next year's cycle, the Tobacco Families and AIMS
18 Higher, including Dual Enrollment.

19 MR. MATLOCK: I'm David Matlock from
20 Virginia Highlands Community College, and I want to thank you for your
21 continued support of our scholarship programs throughout the years and the
22 working relationship we have with Staff.

23 I won't go into great detail about the merits of our scholarship
24 program which have been presented by my colleagues from Mountain
25 Empire and Southwest. As we move into the future, I'd like to give you

1 some thought for the strategic planning for the scholarship programs in the
2 community college system. In Southwest Virginia over 70 percent of recent
3 high school graduates begin their educational career at their local community
4 college. Throughout the entire Commonwealth of Virginia, 65 percent of all
5 under graduate enrollment takes place at your local community college. Last
6 year the community college enrollment exceeded the entire undergraduate
7 enrollment at Radford University. You can see the community college
8 system remains a school of choice in Southwest Virginia. The community
9 college remains the institution and school of choice for the entire state of
10 Virginia. Our tuition is much less than a four-year institution.

11 Our current Chancellor has worked very hard to get guaranteed
12 admission with all the four-year schools in the Commonwealth and has been
13 very successful. Our students are graduating and they're transferring. Our
14 students are filling the hopper with the four-year scholarship program.

15 To address our carryforward as Staff recommends, we have
16 consistently disbursed our funds, and this is the first time we've ever had
17 what would be considered a substantial balance, that is a direct result of
18 some carry-forward funds for fast-track training, and that's about \$50,000 of
19 that. About \$80,000 of that is for our cohort of '07 graduates from AIMS
20 scholars. We had to hold that back because we made a commitment to pay
21 for their sophomore year, and that money is being spent this semester. With
22 all of that said, and a thankful heart, we hope that you would consider, once
23 we take out Dual Enrollment and make adjustments for the carry forward,
24 that our recommendation be raised to \$350,000 for this year, and as we look
25 into the future, knowing that the enrollment and our graduates are driving

1 your four-year scholarship program, that we'd be allocated at some level a
2 consistent amount of funds so we can receive about \$400,000 every year,
3 and that makes planning so much easier.

4 Again, thank you for all you do and you allow the community
5 college system to do with you in partnership.

6 MR. REYNOLDS: Three hundred fifty thousand
7 will get you over the hump?

8 MR. MATLOCK: Yes, because of the money
9 carryforward,, and I can't touch \$50,000 of that, and I'll need \$80,000 to take
10 care of the sophomore AIMS. I'm not certain \$250,000 would get us
11 through the year.

12 MR. REYNOLDS: You can tell from the
13 information we have, just Washington County alone, and if you look at the
14 number of people who participated we had 189 last year, and for the last
15 three years we've had 1,131, so it's been a big program for us.

16 MR. MATLOCK: That's for the entire area.

17 SENATOR RUFF: Anyone have a motion?

18 MR. REYNOLDS: I make a motion that we fund
19 \$350,000.

20 SENATOR PUCKETT: You're adding \$100,000
21 to what's on the board?

22 MR. REYNOLDS: Yes.

23 MR. FIELDS: I'll second it.

24 SENATOR PUCKETT: We'll consider that, as the
25 Chairman said earlier, at the appropriate time and later on.

1 MR. PFOHL: Wytheville, this is a proposal to
2 fund for the first time, or specifically, there is a foundation providing
3 scholarship funds for their students coming from Bland and Wythe Counties.
4 This proposal would be to provide scholarship funds for the first time from
5 the Commission for students from Grayson and Carroll Counties and the
6 City of Galax. This is a first request from Wytheville, who never has had
7 previously access to the allocation that the Commission has historically
8 provided to the community college.

9 SENATOR RUFF: We did fund one of the
10 requests that they had, earlier today.

11 MR. PFOHL: Yes, we previously funded the start-
12 up of the Truck Driver Training Program in last year's round, and there's a
13 request that was approved earlier today to establish an HVAC Training
14 Program.

15 MS. WOOD: I'm Rhonda Wood, and I'm Director
16 of College Development, and I have two people with me today, Charlie
17 White, President, and Stacey Thomas, in charge of our occupational
18 programs. As it was mentioned by Mr. Pfohl, we've never received
19 scholarships from the Tobacco Commission before. We regularly receive
20 questions from students and their parents, our family grew tobacco,
21 especially in Grayson and parts of Smyth Counties. Why are the other
22 community colleges getting money and you're not? We just simply hadn't
23 requested it before, because for a while money wasn't available to us. We'd
24 be very happy with the \$200,000 Staff recommendation, and we appreciate
25 the opportunity to participate. I can tell you personally the farm I own now

1 had a lot of tobacco base over the years, and I had a lot of relatives who had
2 base, and especially western Grayson County and Smyth County. There was
3 a lot of tobacco grown there, and we haven't been able to help those families.
4 We'd greatly appreciate your support. Our enrollment grew about 15
5 percent this year, and we've seen a lot of first-generation college students,
6 and we are on board for higher education.

7 MS. DIYORIO: I move that we approve that.

8 SENATOR PUCKETT: I'll second it.

9 SENATOR RUFF: The concern I have is that
10 several years ago we had some kind of request from John Tyler, and at that
11 point the Committee made the decision that we did not want to do that for
12 various reasons, because the question would come up that we're going as far
13 as we can. That's the reason I pulled it out.

14 MR. MOODY: Mr. Chairman, I agree with what
15 you said earlier about a pool or bank. I think we ought to look at that,
16 because we can serve the students in the Tobacco Commission from one
17 fund and the community colleges, and it would be more equitable, I would
18 think. This fund, they're asking for 200, and I would go along with the John
19 Tyler students to draw from it also. That's the only way I could approve it,
20 and they got turned down before.

21 MS. DIYORIO: I think if John Tyler gets, I think
22 there should be more.

23 SENATOR RUFF: John Tyler is in Chesterfield
24 County.

25 SENATOR PUCKETT: What we looked at was

1 the footprint of the burley tobacco growing area with a very small piece of
2 that. Smyth County has a lot of burley tobacco, part of the service area with
3 Virginia Highlands. I think that's the reason, again, when we first did this in
4 2000 there wasn't that much money.

5 DELEGATE MARSHALL: In my part of the state
6 Patrick Henry Community College had a very small allocation.

7 SENATOR PUCKETT: From a burley region
8 standpoint you might want to talk about flue-cured, but, looking for
9 sufficient burley tobacco, from a burley region standpoint, that was grown in
10 the service area.

11 MR. MAYHEW: The whole county you have to
12 consider.

13 SENATOR PUCKETT: We didn't do that, I guess.
14 I guess that's the explanation for Wythe not being in it.

15 MR. FIELDS: As far as that goes, we can go out
16 and the flue-cured, maybe you'd want to take us in.

17 MS. DIYORIO: Wytheville Community College
18 should be in that footprint, and there's no question about it. It should be,
19 also Bland and Smyth. I don't know the numbers, but, secondly, Wytheville
20 Community College came under a Foundation when the hospital was sold.
21 Scholarships were given to the county. I know within Bland, Carroll,
22 Grayson and Galax, they should be included.

23 MR. FIELDS: I call for the question.

24 SENATOR RUFF: The question is called for. All
25 in favor say aye? (Ayes.) Opposed?

1 MR. MOODY: No.

2 MR. PFOHL: Those cover the proposals that have
3 positive Staff recommendations, plus a couple of additional ones. Now we'll
4 move into the proposals that did not get Staff support.

5 MR. FIELDS: I would recommend the Mountain
6 Empire.

7 SENATOR RUFF: I'm sorry, Fred, I didn't
8 understand you.

9 MR. FIELDS: I'd like to see another \$100,000
10 added to Mountain Empire.

11 SENATOR RUFF: Let's, we haven't had a chance
12 to discuss this. That's number 1690 you want to change to \$300,000?

13 MR. FIELDS: Yes.

14 SENATOR RUFF: Is there a second?

15 SENATOR PUCKETT: I'll second it.

16 SENATOR RUFF: All in favor say aye? (Ayes.)
17 Opposed? (No response.)

18 MR. PFOHL: Lonesome Pine Office on Youth,
19 Southwest Virginia Imagination Library. That's a book a month for children
20 from birth until age five years old, with the Dolly Parton National
21 Foundation, or coordinated with that organization. This will serve an
22 additional 7,000 children in Southwest Virginia over and above those
23 currently served.

24 MR. KUCZCO: I'm Paul Kuczko. I'd like to tell
25 you about the Dolly Parton Imagination Library and why I think it's so

1 important to help keep it going in Southwest Virginia. Dolly pays for these
2 books, and they cost anywhere from \$10 to \$16 a piece. If you take the total
3 of almost 90,000 that we started with three years ago, that's close to a
4 million dollars Ms. Parton has paid. We pay for the shipping, put a label on
5 it and send it through the post office. That averages \$2.50 per book. To date
6 we've raised \$200,000 in far Southwest Virginia to keep this program going.
7 It's getting more difficult as the number of children increase. You can see
8 from the sheet we passed out, almost 10,000 children birth to five and over
9 5,000 children now receiving the books, and we still have about 5,000 to go
10 to sign up everyone. You heard from the pre-school folks earlier about the
11 importance of stimulating the brain for children, and that's totally true. I've
12 been doing social work for 30 years, and I can say over half the families I've
13 worked with, you're lucky to find a Bible and a phone book in the home and
14 no children's books. Then we wonder why when they go to kindergarten
15 they're unprepared to read. This program, working with the Mountain
16 Empire Community College, we offer help with parents' reading who can't
17 read to their children. We're tracking this data now, and then we'll be able to
18 compare five years of children receiving the books against those who don't
19 receive them, and that'll show the impact for these children.

20 I'll be glad to answer any questions. It's a great program, and it
21 will help improve the readiness of these children going to kindergarten. The
22 counties served are Lee, Scott, Washington, Dickinson, Buchanan, and the
23 cities of Bristol and Norton.

24 SENATOR RUFF: This would be for one year?

25 MR. KUCZCO: Yes. Dolly has said it will take

1 five years to get up to 50 percent of the kids, and we did it in about a year
2 and a half. We had no idea we'd have that many children that quick. If we
3 have tobacco funding for one year, that would give us time to go back and
4 help get this institutionalized. So far it's been local government and city
5 groups who have helped us fund it. For a commitment from the tobacco
6 folks, this would greatly enhance this program and try to get it more
7 institutionalized.

8 MR. MAYHEW: Mr. Chairman, does this fall into
9 the same category that would be deferred to the Strategic Planning?

10 SENATOR RUFF: Is that a motion?

11 MR. MAYHEW: Yes.

12 MR. KUCZCO: Last year they did that and sent it
13 to the Education Committee.

14 SENATOR RUFF: I don't think so. This
15 Committee has been pretty focused on workforce skills in the past, and we
16 have said we're not going to deal with K through 12. The reason we propose
17 sending it, early childhood, to Strategic Planning, is because it would open it
18 up to a new area. In my opinion, this is trying to address the same group of
19 people, not workforce training, but this just isn't an area that we've dealt with
20 before.

21 MR. KUCZCO: I read some of the issues in the
22 Blue Ribbon Panel recommendations about early education.

23 SENATOR RUFF: I'm not disagreeing with you,
24 but we sent one similar proposal, and the Commission has to decide whether
25 they want us to deal with things like workforce training or early childhood.

1 We have a motion and seconded. Any further discussion? All
2 in favor say aye? (Ayes.) Opposed? (No response.) The motion carries.

3 MR. PFOHL: I've been notified by the project
4 leader on the Old Dominion that they would reduce their request of \$62,000
5 for participant costs on the Virginia Aerospace Scholars Program, and
6 they've written it would be one-year-only funding they would request from
7 the Commission, and they intend to seek other funds for future years. Sixty-
8 two thousand is the revised request for participant costs only within the
9 tobacco region.

10 SENATOR RUFF: When the Staff made their
11 recommendation based on the belief that if there is any duplication, this is a
12 math and science project, as I understand it.

13 MR. PFOHL: Mr. Chairman, I think we recognize
14 that this is a parallel to the Virginia First Robotics Program and it provides a
15 nationally recognized experience for these children. It does not provide
16 academic credentials that this Committee says is the measuring stick.
17 Undoubtedly this would be a very positive experience for the students.
18 Other issues in terms of fitting the priorities.

19 Next is the Rich Valley Agriculture and Fair Association and
20 Community and Education Centers. This is the interior build out of an
21 existing building that was constructed with federal grant funds.

22 MR. CLARK: I'm Charlie Clark with the Rich
23 Valley and Community and Education Center. I'm Charlie Clark, I'm a
24 farmer in Smyth County. I'm here on this project to ask for your support. I'd
25 like to be put back on the list. I know the Staff has made a recommendation,

1 but I respectfully differ with them on the conclusion of the Education
2 Center, as far as general community center use. If you'll look at the sketch
3 of the building that was provided with the application, you would agree that
4 the education part of the building is on the opposite end of the building. We
5 have assurances from the GED classes of one-on-one leadership in the
6 distance learning classrooms. The education department will be separate
7 from the rest of the building. We tried to separate it, but with the building
8 codes we had to put a door there. It does have separate heating, cooling and
9 security, and it won't be part of the community center as far as use. The
10 proposal outlines the absence of the adult education, particularly since the
11 nearby hospital has closed. About one in four adults in Smyth County don't
12 have a high school diploma. So we respectfully ask to be put back on the
13 list. Thank you.

14 MR. PFOHL: Mr. Chairman, for the benefit of the
15 Committee, there are letters attached to this proposal from the Mount Rogers
16 Regional Adult Ed Program and the Smyth County Adult Literacy Program,
17 offering to provide classes at this facility. I think there is an intent to offer
18 the types of classes that this Committee would support. We don't have our
19 projected number of folks served; we don't have any outcome measures that
20 have been projected where we could say, for instance, how many GEDs one
21 might expect from these classes. Lacking those outcome measures, and
22 knowing what kind of an impact this project would have in terms of adult
23 education, we were reluctant to recommend funding here.

24 MS. DIYORIO: Mr. Chairman, I move that we
25 fund this project by \$100,000.

1 SENATOR RUFF: Did you say \$100,000?

2 MS. DIYORIO: Yes.

3 SENATOR RUFF: Is there a second?

4 SENATOR PUCKETT: Second.

5 SENATOR RUFF: There are no projected
6 outcomes for the project.

7 MR. REYNOLDS: Mr. Chairman, did Ms.
8 Seymore make an objection on that? It's in her area.

9 MS. SEYMORE: I can't really object specifically.
10 We normally serve between 150 and 175 students per year, and that's a
11 significant number served there, but the statistics differ, because it's not one
12 in four, it's one in about three in the county. We do have some classes in
13 Marion and in Atkins, and they're located in schools like the Smyth Ed
14 Center, and we have some others. We're not in Richlands.

15 SENATOR RUFF: How far is Rich Valley?

16 MS. SEYMORE: I think it's 13 miles from
17 Richlands.

18 SENATOR RUFF: Any further discussion?
19 We've got a motion and a second. All in favor say aye? (Ayes.) Opposed?
20 (No response.)

21 MR. PFOHL: The Russell County Public Library
22 for the Honaker Library Expansion, which will be adding a computer room,
23 a request for \$65,000.

24 MS. MCBRIDE: My name is Kelly McBride.
25 This is a third of the cost of the project. I'm not the kind of person to go out

1 and spend the money. We, in fact, have some money in hand, and we're
2 ready to move forward. The difference between 75,000 of the bulk of the
3 money, and it just didn't seem practical to me to make plans when we'd be
4 out. So we're trying to stay within our budget. As far as the Staff's other
5 concerns, the same is true with the agreement. When I wasn't sure that
6 actually we would have a room that could be called a computer lab, I felt
7 there was a limited amount we could guarantee. I talked to our GED folks,
8 and they do have a god facility, so they don't need this, and that was one of
9 my first thoughts. In fairness, and the community college folks can correct
10 me, but eight seats in all fairness is properly adequate for using it as a true
11 classroom facility for credit class. If they think that, I certainly would be
12 ready and willing to have some partnerships. I think that would be good for
13 the community, but I thought realistically that wouldn't be fair. I'm hoping
14 to have a couple of computers elsewhere in the library so if we have to use
15 that room for class we'd still have computer access. It's really true of all the
16 public libraries in every jurisdiction here. If you're of an age like me, over
17 40, you didn't get a lot of computer skills when you were in school, because
18 they weren't available. If you haven't been unemployed recently, computer
19 skills are essentially. Many jobs they want you to apply on-line. We're in
20 the state of e-Government. Many things are turned over to electronic digital.
21 Many of the people don't have computer skills. The public library is the
22 only institution in your community that has a history and experience to
23 provide some of those services. We'll show you how to do it, but you've got
24 to jeep at it and do it. When people walk in off the street and never have
25 touched a computer, they have to be trained. We hope people will have the

1 courage to continue with their education, either in community colleges or
2 four-year colleges, because that's essential skills in today's world.

3 SENATOR RUFF: How would you think we
4 should respond, because we will be funding every library in Southwest and
5 Southside, the question will be if we do it here, why shouldn't we do it
6 everywhere?

7 MS. MCBRIDE: The same way you deal with the
8 community colleges. You've been funding them in the last seven or eight
9 years. The Washington County lab was funded partly through Lonesome
10 Pine, I believe. The public libraries have reciprocal relationships. We work
11 together on projects, and we've done joint staffing all the way down.
12 Although it would be housed in Russell County, we have reciprocal
13 arrangements. When you walk in the door, I don't ask to see your driver's
14 license, but I say if you're 18 you're welcome to sit down. You don't have to
15 have a library card.

16 MR. BANNER: In the absence of the eloquent Joe
17 Johnson being here, I just want to say that I have a little hard time with this,
18 but as a bottom line sat here all this afternoon after all these people have
19 discussed this. This is a local community, and they've worked really hard to
20 get this library up and running. From the technology standpoint and the
21 computer standpoint, what's your bottom-line request?

22 MS. MCBRIDE: I think if we do this like we do
23 other things, and we think a gravel lot would be excellent to motivate for
24 local fund raising.

25 MR. BANNER: I just think we need that parking

1 area. So the parking lot, the rest of this is for computers, computer skill
2 classes and for the lab.

3 MS. MCBRIDE: It's for the construction. I'm
4 actually planning to pay for the machines and most of the furnishings out of
5 other funds, this is pretty much just construction. We'll finish it and fill it.

6 Thank you, I don't envy your job.

7 MR. BANNER: I make a motion we put \$30,000
8 in there.

9 SENATOR PUCKETT: Second.

10 SENATOR RUFF: Any discussion?

11 DELEGATE MARSHALL: I think we talked
12 about these libraries in Southside. We could take our whole budget for this
13 in the future. I think it's a worthwhile project, but I'm just worrying about
14 the road we're about to go down.

15 SENATOR RUFF: I'll say that a number of us are
16 concerned, that first step out in Washington County.

17 DELEGATE MARSHALL: If we made mistakes
18 in the past, we shouldn't repeat it.

19 SENATOR RUFF: Any further discussion? All
20 those in favor say aye? (Ayes.) All those opposed say no? (Nos.)

21 SENATOR RUFF: Roll call.

22 MR. NOYES: Mr. Banner?

23 MR. BANNER: Aye.

24 MR. NOYES: Mr. Day, he is not here.

25 MR. NOYES: Ms. DiYorio

1 MS. DIYORIO: Yes, aye.
2 MR. NOYES: Mr. Fields?
3 MR. FIELDS: (No response.)
4 MR. NOYES: Delegate Marshall?
5 DELEGATE MARSHALL: No.
6 MR. NOYES: Mr. Mayhew?
7 MR. MAYHEW: No.
8 MR. NOYES: Mr. Moody?
9 MR. MOODY: No.
10 MR. NOYES: Mr. Reynolds?
11 MR. REYNOLDS: Yes.
12 MR. NOYES: Mr. Stith?
13 MR. STITH: No.
14 MR. NOYES: Delegate Wright isn't here.
15 MR. NOYES: Senator Puckett?
16 SENATOR PUCKETT: Yes.
17 MR. NOYES: Senator Ruff?
18 SENATOR RUFF: No.
19 MR. NOYES: The motion fails.
20 MR. PFOHL: Southern Virginia Higher Education
21 Center in South Boston requesting just under \$190,000 for the audio visual
22 equipment to support the newly-opened nursing training center.
23 MS. NELSON: Good evening, my name is Patty
24 Nelson, and I'm with the Southern Virginia Higher Ed Center. I'm the
25 Director of Finance. Our Director couldn't be here today because of a

1 conflict in schedule.

2 I'll speak very briefly. I'd like to express my appreciation for
3 the support the Tobacco Commission has given the Center and the
4 Foundation. You've been very supportive, and I hope our track record
5 shows that we've been a good steward of this investment you've made in our
6 region. Your support for the Center for Nursing Excellence, the buildout
7 and the equipment and the operational funds have totaled \$669,000. The
8 total cost of getting the Center for Nursing Excellence up is 1.3 million.
9 We've leveraged the dollars you've invested in our Center. The Center
10 began construction in March of 2008 and opened September 1, 2008, and we
11 had a ribbon cutting, September 19th. What you have done with the funds
12 you've given us so far have leveraged your investment in a superior
13 workforce development and educational facility that will truly allow us to
14 expand our nursing workforce, which in our region, nurses are in great
15 demand.

16 I respect the difficulty you all have. I know it's a tough job to
17 evaluate, and there was a total of \$17 million requested. I fully and
18 respectfully ask that the Committee reconsider the Staff's recommendation
19 and invest \$189,000 into the audiovisual equipment and software.

20 MS. CRUISE: I'm Cindy Cruise, and I'm the
21 Associate Director of our Center. We just opened September the 19th of this
22 year. Since then we have had 87 students come through our Center. With
23 the new state board requirements it's proposed that nursing programs allow
24 25 percent as an allocation, but our allocations state that you have to meet
25 certain criteria. We need this audiovisual equipment and the support system,

1 and we need this to integrate all the individual and get it into one package,
2 because after the student actually goes into that simulation they can, for
3 instance, patients have come in who have chest pain, they can, something
4 like diabetes, they can actually learn how to take care of those patients.
5 That's really what we're trying to do, and we're trying to increase the quality
6 of our nursing program. All this is what research has suggested. The State
7 Board and the Virginia Alliance of State Simulation does support that you
8 have to include de-briefing, video de-briefings.

9 We also cover other programs all the way up to the Master's
10 program in our higher education department, which includes the Community
11 College, Southside Community College and Old Dominion University. We
12 conduct from entry level all the way up to the Master's of Education. We're
13 very honored to be here today, and we truly need the funding.

14 SENATOR RUFF: Where does this take you?

15 MS. CRUISE: The students can actually go in and
16 perform these activities, but the way our system is set up now there's a
17 control room and simulation room, and we don't have the video technology
18 or audio to take and record the stimulation experiences which the State
19 Board and the Virginia Simulation Association and Alliance recognizes as
20 being a key and integral part of this. If we don't get this video debriefing,
21 the hours that students are allowed to come in to the simulation will not
22 count toward their hours. We have the facility and the simulations, and
23 without the debriefing some of their hours will not count.

24 MS. NELSON: The whole cost of this system is
25 high tech and very pricey, but I know Radford has a very nice center, but it

1 cost almost \$300,000. We've matched some money from the Foundation,
2 and we have some donated equipment that we have in our center to try to
3 reduce that price to the lowest we could get, which is \$189,950.

4 I'll be glad to answer any questions.

5 MR. STITH: I'd like to make a recommendation
6 for an award of \$105,000, funds they've already got committed into the
7 project.

8 MR. MAYHEW: Is this enough to do what needs
9 to be done?

10 MS. NELSON: One hundred eighty-nine is what
11 we have to pay the vendor. We're doing most of the labor ourselves. Some
12 of you probably know who our IT people are. I guess we would take it, but
13 we'd like more.

14 DELEGATE MARSHALL: How much of an area
15 do your students cover?

16 MS. NELSON: The Southside region.

17 DELEGATE MARSHALL: Where are they
18 coming from?

19 MS. NELSON: Mecklenburg, Charlotte County,
20 Halifax, some come from Farmville. The last group that came through on
21 Tuesday were from Farmville, Keysville, Charlotte County, Halifax and
22 Pittsylvania and Mecklenburg.

23 SENATOR RUFF: You used the term coming
24 through, I believe.

25 MS. CRUISE: They're coming from those areas.

1 SENATOR RUFF: They're being trained for how
2 long?

3 MS. CRUISE: With this lab, they'll come in town
4 for maybe a one-day training, for like two to three hour blocks of time, and
5 they perform those activities that they normally do in a clinical setting at the
6 hospital. When I say coming through, we have groups arranged between
7 two to ten, and they come through the Center into the areas.

8 SENATOR RUFF: Part of that is not taped?

9 MS. CRUISE: It does not count.

10 MR. MAYHEW: Will they go somewhere else if
11 they don't go to you?

12 MS. CRUISE: For the clinical simulation? In our
13 region there is not that opportunity right now. I think Radford is our next
14 closest facility.

15 MS. NELSON: Before we had the simulation,
16 most all of the clinical was done at the hospital.

17 DELEGATE MARSHALL: Have you applied to
18 the available regional foundations?

19 MS. NELSON: We contacted them when we first
20 started this issue, and the issue was that we were conflicting with Halifax
21 area and Danville regional area.

22 DELEGATE MARSHALL: But you said you had
23 students from Pittsylvania County?

24 MS. CRUISE: That were enrolled in Southside or
25 Danville program.

1 MR. STITH: I'd respectfully request \$189,950.

2 MR. MAYHEW: I'll second it.

3 SENATOR RUFF: Any further discussion? All in
4 favor say aye? (Ayes.) Opposed? (No response.)

5 MR. PFOHL: The UVA Wise Voice-Over Internet
6 Protocol System Implementation, which is replacement and upgrade of the
7 phone system at the UVA Wise campus. Anyone from UVA Wise here?
8 Apparently not.

9 Then, we're down to the Virginia First Robotics Project that the
10 Committee saw last year and provided partial funding for, and they're back
11 for the second year of funding, and I note they do have balances from last
12 year's grant that they intend to use this year. Is there anyone from Virginia
13 First here? No.

14 The Halifax GED Testing Center. There's no one here for that.

15 SENATOR RUFF: Obviously, we can fund all
16 those if we don't fund the early childhood. I don't know what the outcome of
17 that would be, but I think a reasonable argument has been made that that
18 would be a good investment for the future. I don't know if you're going to
19 hold back some of this money. What's the will of the Committee?

20 MR. FIELDS: Mr. Chairman, it's hard to put \$2
21 million, and I've been an educator for 30 years, and I just can't honestly see,
22 though, the Lonesome Pine Focus on Youth with the Dolly Parton, I can see
23 where that can make an impact, and there might not be a book in that house.
24 I'd like to see more of that, and I understand what they're doing. I think it's a
25 good program for that group of kids. We need it, absolutely, desperately in

1 Southwest.

2 MR. NOYES: We would welcome that
3 opportunity, for the Staff to work with this applicant to provide further
4 information to the Committee, and we'll be pleased to do that.

5 MR. FIELDS: I'm glad it didn't come to a vote.

6 MR. MAYHEW: I think someone could sell it
7 better. What was said was great, but I think we need more detail. I think we
8 need the specifics of it, how these persons are going to get the benefit of it. I
9 think if it's approached the right way they could sell it, plus the idea of
10 getting maybe dollar-for-dollar matches. It's got some very good potential.
11 I don't know that we got all the information.

12 DELEGATE MARSHALL: We've heard some
13 other states are already doing this. I'd like to see some statistics. There's a
14 lot of money there, and it's a good percent of our budget. I don't know if it's
15 part of our purpose, and especially if you go back and read what our
16 objectives are, priorities.

17 MR. MAYHEW: The thing that impressed me, or
18 what I heard, was 14 to 1 benefit of it, and that's the kind of thing we need to
19 be doing. Maybe we should take a further look at it.

20 SENATOR PUCKETT: I think that's a keen
21 observation, Delegate Marshall, and there may be some strengths in this
22 program, but what we said earlier is that we wanted to find out. That's our
23 mission and part of what we're supposed to be doing, and if it is, let's get
24 behind it and do it. I think we all recognize that.

25 Neal just made the suggestion, I think it's three projects we said

1 would go to Strategic Planning. I would encourage the Staff to really sit
2 down with the Strategic Planning Committee and Kathy and give her some
3 idea of what we're looking for, then let the Committee decide if that's the
4 mission we want to go on. We can do it if you think it's worthwhile. The
5 issue I raised was about the colleges and do we want to do that. If we do,
6 then I'll be the first one to make a motion to move in that direction. I don't
7 want to move in that direction if that's something that we as a Commission
8 shouldn't be doing and secondly don't want to do. Once we answer that, then
9 I think we can resolve the money issues without too much trouble.

10 DELEGATE MARSHALL: I would suggest that
11 we're going to be setting a direction, so I'm thinking maybe it's not just the
12 Committee but from all the members of this Commission.

13 SENATOR PUCKETT: Kathy may wonder why
14 we're putting that to her Committee but --

15 DELEGATE MARSHALL: -- Because she's not
16 here.

17 MR. NOYES: The Committee can bring a
18 recommendation before the full Commission, then the full Commission
19 would hear it.

20 MR. MOODY: I brought up a question about
21 some community college funding. That's not one of the strategic things that
22 you're going to put in there, or is that something the Staff will do?

23 MR. NOYES: That's the third issue, the private
24 schools, establishing a pool for financial aid. It's already being discussed at
25 the Staff level.

1 MR. MAYHEW: One other thing, it appears to me
2 that nobody has tied our hands if we really want to do it, but I think we're
3 being conservative and cautionary. Maybe we'd better make sure we're
4 doing the priorities that the Commission wants us to do. I can appreciate
5 that.

6 MR. FIELDS: I'm glad we didn't vote on that
7 today. Before I'd do that, I'd vote no today, but I think I want to vote yes.

8 DELEGATE MARSHALL: Mr. Chairman, this
9 was the recommendation, but I think this might help people making
10 applications if we have a defined area that they can fit into, it makes it a lot
11 easier for them to know if they're going to be accepted or not, and it would
12 make it a whole lot easier on the Staff as far as the amount of work they
13 have to go through, going through all this information and all this stuff.

14 SENATOR RUFF: Does anybody want to play
15 with any of these numbers? If not, all in favor of the temporary
16 recommendations we've made?

17 MR. BANNER: Would you do those again?

18 MR. PFOHL: The dollar amounts below the
19 yellow shaded subjects are approved. It's in yellow.

20 MR. NOYES: Mr. Chairman, the Crater Regional
21 Partnership was to be approved.

22 SENATOR PUCKETT: What did we do with the
23 second Southwest Virginia Community College?

24 MR. PFOHL: The scholarship?

25 SENATOR PUCKETT: You reminded us there

1 was no new program or something.

2 SENATOR RUFF: I'm just trying to make sure
3 nobody is going to be too greedy in this process.

4 MR. BANNER: Two hundred five thousand for
5 that --

6 SENATOR RUFF: -- We've already gotten that.

7 MR. BANNER: All right, I've got it.

8 SENATOR RUFF: Is there a motion to approve
9 the second group? Is there a second? It's been moved and seconded. Any
10 further discussion? All in favor say aye? (Ayes.) Opposed? (No response.)
11 All right.

12 Now, is there anyone who would like to make any public
13 comments? All right. Since there are no comments, thank you all for
14 coming.

15 PROCEEDINGS CONCLUDED.

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I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the **Education Committee of the Virginia Tobacco Indemnification and Community Revitalization Commission when held on Thursday, October 16, 2008 at 2:00 p.m. at the Hotel Roanoke, Roanoke, Virginia.**

I further certify this is a true and accurate transcript to the best of my ability to hear and understand the proceedings.

Given under my hand this 19th day of

1 November, 2008.

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6 Medford W. Howard

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Registered Professional Reporter

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Notary Public for the State of Virginia at Large

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11 My Commission Expires: October 31, 2010.

12 Notary Registration Number: 224566